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EXPLANATORY MATERIALS ON THE COMPROMISE AGREEMENT ON H.R. 5299, THE "VETERANS' BENEFITS IMPROVEMENT AND HEALTH-CARE AUTHORIZATION ACT OF 1986"

(Public Law 99-576; October 28, 1986)

PREPARED BY THE

COMMITTEES ON VETERANS' AFFAIRS

OF THE

HOUSE OF REPRESENTATIVES

AND

UNITED STATES SENATE

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EXPLANATORY STATEMENT ON THE COMPROMISE AGREEMENT ON H.R. 5299 AS AMENDED, THE "VETERANS' BENEFITS IMPROVEMENT AND HEALTH-CARE AUTHORIZATION ACT OF 1986"

This document explains provisions of various measures (listed below) passed by the Senate and House of Representatives and the provisions of a compromise agreement between the Senate and House Committees on Veterans' Affairs on those provisions, which will be offered as a proposed House amendment to H.R. 5299 as amended and passed by the Senate on September 30, 1986. The differences between these various bills and the provisions of the compromise agreement are noted below, except for clerical corrections, conforming changes made necessary by the compromise agreement, and minor drafting, technical, and clarifying changes.

The bills referred to above are as follows:

H.R. 2343, the proposed "Veterans' Compensation Benefits Amendments of 1985", as passed by the House on May 20, 1985 (hereinafter referred to as "H.R. 2343").

H.R. 2344, the proposed "Veterans' Housing and Memorial Affairs Amendments of 1985", as passed by the House on May 20, 1985 (hereinafter referred to as "H.R. 2344").

S. 1887, the proposed "Veterans' Compensation and Benefits Improvement Act of 1985", as passed by the Senate on December 2, 1985 (hereinafter referred to as "S. 1887").

H.R. 4345, a bill to authorize the establishment of a national cemetery in or near Cleveland, Ohio, as passed by the House on June 10, 1986 (hereinafter referred to as "H.R. 4345").

H.R. 2798, a bill to prohibit discrimination against members of the Reserves in hiring, as passed by the House on June 17, 1986 (hereinafter referred to as "H.R. 2798").

H.R. 4384, a bill to modify the authority for veterans' readjustment appointments, as passed by the House on June 17, 1986 (hereinafter referred to as "H.R. 4384").

H.R. 5047, a bill to eliminate gender-based language distinctions in title 38, as passed by the House on August 4, 1986 (hereinafter referred to as "H.R. 5047").

H.R. 5299, the proposed "Veterans' Compensation Amendments of 1986", as passed by the House on August 4, 1986 (hereinafter referred to as "H.R. 5299").

H.R. 4333, a bill to create presumptions of service connection for certain disabilities of former prisoners of war, as passed by the House on August 6, 1986 (hereinafter referred to as "H.R. 4333").

H.R. 4623, the proposed "Veterans' Health-Care Amendments of 1986", as passed by the House on August 6, 1986 (hereinafter referred to as "H.R. 4623").

S. 1887, as amended and passed by the House on August 15, 1986 (hereinafter referred to as the "House-passed S. 1887").

H.R. 4345, as amended and passed by the Senate on September 20, 1986 (hereinafter referred to as the "Senate amendment to H.R. 4345").

S. 2422, the proposed "Omnibus Veterans' Benefits Improvement and Health Care Authorization Act of 1986", the text of which was agreed to by the Senate on September 30, 1986, as an amendment to H.R. 5299 (hereinafter referred to as "S. 2422").

TITLE I—DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION

PART A— RATE INCREASES

DISABILITY COMPENSATION

H.R. 5299 (sections 101–103) would amend chapter 11 of title 38, United States Code, relating to compensation for service-connected disability, to increase the basic rates of service-connected disability compensation for veterans, the rates payable for certain severe disabilities, the dependents' allowances payable to veterans rated 30 percent or more disabled, and the annual clothing allowance for certain disabled veterans. The House bill would increase such rates and allowances by 2 percent. S. 2422 (section 101), in a freestanding provision, would require the Administrator of Veterans' Affairs to adjust these rates by the same percentage as that provided to Social Security recipients and VA pension beneficiaries effective December 1, 1986. Both the House and the Senate bills would require that increases be rounded to the nearest dollar and would be effective December 1, 1986.

The compromise agreement (sections 101–103) would, if a Social Security increase is granted effective December 1, 1986, amend chapter 11 to increase, effective December 1, 1986, such rates and allowances by 1.5 percent, with increases rounded to the nearest dollar.

The Committees note that the first concurrent Budget Resolution for fiscal year 1987, approved by the Congress on June 27, 1986, assumes a Social Security cost-of-living adjustment of 2 percent. The most recent economic assumption of the Congressional Budget Office released in August 1986, relating to the Consumer Price Index from the third quarter of fiscal year 1985 through the third quarter of fiscal year 1986, anticipates an increase of 1.3 percent. The Committees agreed that an increase of 1.5 percent in these rates and allowances and the DIC rates would provide an increase consistent with their assessment of the likely increase in the cost of living.

DEPENDENCY AND INDEMNITY COMPENSATION

H.R. 5299 (sections 104–106) would amend chapter 13 of title 38, relating to dependency and indemnity compensation for service-connected deaths, to increase, effective December 1, 1986, rates of dependency and indemnity compensation (DIC) payable to the surviving spouses and children of veterans whose deaths were service connected. The House bill would increase such rates by 2 percent. The Senate bill (section 101 of S. 2422), in a freestanding provision, would require the Administrator of Veterans' Affairs to adjust the rates by the same percentage as that provided to Social Security recipients and VA pension beneficiaries effective December 1, 1986. Both the House and Senate bills would require that increases be rounded to the nearest dollar and would be effective December 1, 1986.

The compromise agreement (sections 104–106) would, if a Social Security increase is granted effective December 1, 1986, amend

chapter 13 to increase, effective December 1, 1986, such rates by 1.5 percent, with increases rounded to the nearest dollar.

IMPROVED BENEFITS FOR FORMER PRISONERS OF WAR

Both H.R. 4333 and S. 2422 (section 102) would amend section 312(b) of title 38, relating to disabilities of former prisoners of war which are presumed to be service connected for purposes of disability compensation if they become 10 percent disabling, even though there is no record of the disability during the veterans' service. The House bill would add the organic residuals of hypothermia, spastic colon, and arthritis due to trauma to the list of disabilities which are presumed to be service connected and would amend section 612(b)(1)(G) of title 38, relating to dental care for a former prisoner of war, to reduce, from 6 months to 90 days, the period a former prisoner of war must have been detained or interned in order to receive the dental services specified in section 612(b)(1). The Senate bill would add the residuals of frostbite (in the case of veterans held in conditions where frostbite was possible), post-traumatic osteoarthritis, and, in the case of former POW's with a service-connected, compensable psychiatric condition, irritable bowel syndrome to the list of disabilities which are presumed to be service connected.

The compromise agreement (section 108) contains the Senate provision except that the reference to irritable bowel syndrome is deleted.

SPECIAL CONSIDERATION FOR LOSS OF PAIRED ORGANS OR EXTREMITIES

H.R. 2343 (section 3), but no Senate bill, would amend section 360 of title 38, relating to special consideration of certain non-service-connected disabilities as service-connected when the service-connected loss of one organ is combined with the non-service-connected loss of the paired organ. Under current law a veteran with service-connected blindness in one eye, loss or loss of use of a kidney, or total deafness in one ear, who also suffers the non-service-connected blindness, total deafness, or loss or loss of use of a kidney in the matched organ will receive compensation as though the loss of both is service connected. In the case of kidneys, the service-connected loss must severely involve the other kidney and the combined disability must result in total disability.

The House bill would add the following disabilities to the conditions given this special consideration: First, lungs, if the service-connected disability is at least 50 percent disabling and permanent; and, second, the service-connected loss of a hand or foot when matched with the non-service-connected loss of the paired hand or foot. In addition, in the case of kidneys, the House bill would eliminate the current requirement that the combined disability be total, and require only that there be involvement between the service-connected and non-service-connected loss or loss of use. The House bill would also repeal section 314(t) of title 38, which provides special monthly compensation to veterans with the service-connected loss or loss of use of an extremity when combined with the non-service-connected loss of the paired extremity and provides that an increase in compensation paid under section 314(t) be with-

held in the case of a veteran who receives a judicial award or a non-judicial settlement for damages for the non-service-connected disability.

The compromise agreement (section 109) contains these provisions with an amendment making applicable to all awards made under section 360 after the date of enactment a provision similar to the provision in section 314(t) requiring withholding of the increase where the veteran has received a judicial award or a non-judicial settlement. This withholding provision would, by virtue of its reenactment in section 360, apply continuously to "paired extremity" cases (currently awarded under section 314(t)).

TAXATION OF COMPENSATION

Both H.R. 2343 (section 4) and S. 1887 (section 108) would express the sense of the Congress that payments to veterans as compensation for service-connected disabilities remain exempt from Federal income tax. The House bill would also urge the President to reject taxation of compensation as part of any proposal for tax reform.

The compromise agreement does not contain this provision. The Committees note that neither the President's tax reform proposal nor H.R. 3838, the Tax Reform Act of 1986 passed by the Congress in September 1986, provide for the taxation of compensation.

TITLE II—HEALTH CARE AND MEDICAL FACILITIES

PART A—HEALTH-CARE PROGRAMS

RESPITE CARE PILOT PROGRAM

Both H.R. 4623 (section 2) and S. 2422 (section 203) contain provisions relating to the provision of respite care for certain veterans.

The House bill would amend section 610 of title 38, relating to eligibility for hospital, nursing home, and domiciliary care, and section 612 of title 38, relating to eligibility for outpatient care, to authorize the Administrator to provide respite care to certain veterans. Under the House bill, the Administrator would be authorized to provide respite care, defined as hospital care, nursing home care, or hospital-based home care furnished on an intermittent or temporary basis, to a veteran who is suffering from a chronic illness and who is receiving care at home or in a hospice program.

The Senate bill would amend subchapter II of chapter 17 of title 38, relating to eligibility for hospital, nursing home or domiciliary care and medical treatment, to add a new section 620C to authorize the Administrator to conduct a pilot program, during the period October 1, 1986, through September 30, 1990, under which the VA could furnish respite care services to any veteran who has a service-connected disability which is compensable in degree and who is receiving VA medical services. Under the Senate bill, respite care is defined as hospital or nursing home care which (1) is of limited duration, (2) is furnished in a VA facility on an intermittent basis to a veteran who is suffering from a chronic illness and who resides primarily at home, (3) is intended to help the veteran continue to reside at home, and (4) does not adversely affect the range of services, the quality of care, or the priorities for care furnished to other

veterans. The Administrator would be required, if the pilot program were implemented, to evaluate the medical and health-related efficacy and cost-effectiveness of furnishing respite care and submit to the Committees by February 1, 1990, a report on the experience under the program.

The compromise agreement (section 201) would amend subchapter II of chapter 17 of title 38, relating to hospital, nursing home, and domiciliary care and medical treatment, to provide the Administrator with the authority during the period October 1, 1986, through September 30, 1989, to furnish respite care services to veterans otherwise eligible for VA hospital, nursing home, or domiciliary care. Under the compromise agreement, the definition of respite care would follow the first three criteria of the Senate bill and, as under the Senate bill, the Administrator would be required to submit, by February 1, 1989, to the Committees a report on the implementation of this authority.

The Committees emphasize that the provision of respite care services is not intended to affect adversely the range of services, the quality of care, or the priorities for care furnished to other veterans.

HOME HEALTH SERVICES

S. 2422 (section 201), but not the House bill, would amend section 601 of title 38, which sets forth definitions for purposes of chapter 17 of title 38, relating to VA health-care eligibility, to specify that, in the case of a veteran who is not residing in either a VA facility or in the veteran's home, the term "home health services" includes services furnished to a veteran in any setting in which the veteran is residing but does not include the furnishing of any structural improvements or alterations in such setting. The Senate bill would also, in a freestanding provision, restate the VA's existing authority to contract for home health services. The Administrator would be required to submit, 6 months after the date of enactment, a report to Congress on the current and proposed use of these authorities.

The compromise agreement (section 202) is derived from this provision. It permits the Administrator to furnish home health services in any setting in which the eligible veteran is residing. The compromise prohibits the provision of such services in a manner so as to relieve a contractual obligation to provide such services and the furnishing of structural improvements or alterations in any setting other than the veteran's home.

The Committees understand that the services provided under this authority may include the training, by home health services providers, of veterans receiving home health services to enable such veterans to live more independently. Such training may include training in personal care, nutrition, cooking, and other matters.

The Committees intend that where a VA home health services team finds it necessary to furnish a veteran in a contract facility with services that the facility is expected to furnish in the normal course (such as general nursing services furnished in a community nursing home), the VA consider seeking a reduction in the per

diem it is paying for that patient or review the advisability of continuing to place veterans in that facility.

CONTINUATION OF CERTAIN COUNSELING SERVICES FOR A DECEASED VETERAN'S FAMILY MEMBERS

S. 2422 (section 206), but not the House bill, would further amend section 601 of title 38, relating to the definition of "medical services" for the purposes of VA health care, to authorize the VA, in cases in which a veteran's family members were receiving counseling or other mental health services from the VA in connection with the veteran's care and the veteran dies unexpectedly or while participating in a VA hospice program, to continue to furnish such counseling services for up to 6 months after the veteran's death.

The compromise agreement (section 203) contains this provision with an amendment specifying that the counseling may be furnished for "a limited period of time" following the veteran's death and also authorizing such services for family members of veterans who were receiving counseling prior to the veteran's death when the veteran was receiving services similar to hospice services.

The Committees note that the VA would be authorized to offer such services after a veteran's death only to family members who had been in a formal counseling relationship with the VA prior to the veteran's death.

TRANSITION PERIOD FOR READJUSTMENT COUNSELING CENTERS

Both H.R. 4623 and S. 2422 include provisions relating to the status of the VA's readjustment counseling program which is carried out pursuant to section 612A of title 38. H.R. 4623 (section 3) would extend by 1 year, until September 30, 1989, the date by which the Administrator would be required to complete a 1-year transition of the readjustment counseling program, as required by section 612A(g), from a program offered primarily in free-standing facilities, known as "Vet Centers", to a program offered primarily in VA medical facilities. The House bill would also extend by 1 year, until April 1, 1988, the date by which the VA is required to have completed and sent to the Congress a report on an evaluation of the effectiveness of readjustment counseling services and would extend by 1 year, until July 1, 1988, the date by which the VA is required to have completed and sent to the Congress a report on the plans for the required 1-year transition of the readjustment counseling program.

S. 2422 (section 210) would extend the transition period from 1 to 2 years, ending on September 30, 1989, and require that the transition be carried out gradually over the 2-year period. The Senate bill would also extend by 1 year, to October 1, 1987, the deadline for a report on the study, as mandated by Public Law 98–160, of the prevalence and incidence in Vietnam veterans of post-traumatic stress disorder (PTSD) and other post-war psychological problems. In light of the change in the due date for the report on the study, the Senate bill would also modify the two reporting requirements described above to specify that, if the results of the PTSD study are not available by the due dates of those studies (April 1, and July 1, 1987), they are to be prepared and submitted taking

into consideration whatever information from the study is then available. The Senate bill would further amend the April 1, 1987, study provision to require the Administrator to provide an evaluation as to whether or not veterans of other wars have needs that would be met by services offered under section 612A. The Senate bill would also add to section 612A(g) a new report from the Administrator to be submitted to the two Committees on Veterans' Affairs by February 1, 1989, on the experience under the first year of the transition, together with any recommendations for change to the transition requirement.

The compromise agreement (section 204) contains a provision derived from these provisions. Under the agreement, the transition period would be extended from 12 months to 24 months ending on September 30, 1989, and the transition would be required to be gradual. The agreement also would modify the two reporting requirements described above to specify that, if the report, as mandated under Public Law 98–160, of the prevalence and incidence of post-traumatic stress disorder and other post-war psychological problems in Vietnam veterans is not completed by the due dates, the reports are to be prepared and submitted taking into account whatever information from that study is then available. The agreement would further require the Administrator, not later than February 1, 1989, to submit to the Committees a report on the experience under as much of the transition as was carried out prior to September 30, 1988, including such recommendations, if any, as the Administrator considers appropriate in light of that experience.

EFFECT OF PAYMENT FOR THERAPEUTIC AND REHABILITATION ACTIVITIES ON PENSION ENTITLEMENT

S. 1887 (section 503), but not the House bill, would amend section 618 of title 38, relating to therapeutic and rehabilitative activities, to exclude any remuneration provided to individuals as a result of their participation in such activities, from being considered as income in determining eligibility for, or monthly rates of, non-service-connected disability pension paid under Chapter 15 of title 38.

The compromise agreement (section 205) is derived from this provision and would identify funds received by such individuals as a result of their participation in therapeutic or rehabilitative activities carried out under section 618 as "distributions" and provide that, for purposes of chapter 15 of title 38, these distributions be considered as donations from public or private relief organizations which under section 503(a)(1) of title 38 are not considered income for pension purposes.

The Committees expect that the VA will implement this provision in such a way as to not reduce the therapeutic and rehabilitative value of participation in the program to the veteran and will not alter any VA regulation, directive, policy, or practice relating to paying veterans for their participation in these activities.

CONTRACTS AND GRANTS FOR MEDICAL CARE FOR UNITED STATES VETERANS IN THE REPUBLIC OF THE PHILIPPINES

Both H.R. 4623 (section 4) and S. 2422 (section 208) would amend section 632 of title 38, relating to the furnishing of medical care to

veterans in the Republic of the Philippines, to extend for 3 years, from October 1, 1986, through September 30, 1989, the VA's existing authority to contract with the Veterans Memorial Medical Center (VMMC) in Manila for the care and treatment of United States veterans in the Republic of the Philippines and would extend the VA's authority to make grants of up to $500,000 annually to the VMMC for the replacement and upgrading of its equipment and the rehabilitation of the physical plant and facilities. Under the Senate bill, any grants would be required to be made semi-annually at 6 month intervals. The VA would be required to submit to the Committees a report on the use and expenditure of the grant funds provided in the most recent 6-month period prior to providing any additional funds for the subsequent 6-month period.

The compromise agreement (section 206) contains a provision derived from these provisions which would extend the VA's authorities by 3 years. The compromise agreement would require the Administrator to submit to the Committees by February 1, 1987, 1988, and 1989, reports on the previous fiscal year's expenditures of the grant funds and would ratify any action taken by the Administrator in contracting for the care and treatment of veterans in the Philippines during the period from October 1 to the date of enactment.

PART B—HEALTH-CARE ADMINISTRATION

ENFORCEMENT OF STATE AND LOCAL TRAFFIC LAWS BY VETERANS' ADMINISTRATION POLICE OFFICERS

S. 2422 (section 211), but not the House bill, would amend section 218 of title 38, relating to laws and regulations enforced by VA police officers on VA property, to provide the Administrator with the authority to enter into agreements with State and local governments pursuant to which VA police officers would be able to enforce State and local traffic laws by issuing citations for any violations of these laws occurring on VA property.

The compromise agreement (section 211) contains this provision.

REGIONAL MEDICAL EDUCATION CENTERS

H.R. 4623 (section 7), but not the Senate bill, would amend section 4121 of title 38, relating to the designation of the VA medical centers as Regional Medical Education Centers (RMEC) for the continuing medical education and training of VA health care personnel, so as to make the RMEC program permanent. The House bill would also delete the current requirement that RMEC training be conducted only on an "in-residence" basis and would clarify that RMEC training may be made available to other than direct-care providers, such as counseling psychologists and vocational rehabilitation specialists who are not technically direct care providers. The House bill would also allow the Administrator to enter into reciprocal training agreements for RMEC training with public and nonprofit private entities and would delete the current provision which requires that the VA be "fully reimbursed" for training provided to non-VA personnel and provide instead for giving credit for any

other type of contribution by the organization sponsoring such participants.

The compromise agreement (section 212) contains this provision with an amendment permitting reimbursement in the form of reciprocal training of other than direct-care providers.

PERIOD OF OBLIGATED SERVICE UNDER SCHOLARSHIP PROGRAM

H.R. 4623 (section 8), but not the Senate bill, would amend section 4142(e) of title 38, relating to the obligated-service agreement which each participant in the VA's Health Professional Scholarship program must execute, so as to change the method of calculating the period of obligated service required for part-time student-participants by requiring 6 months of service as a full-time employee for each calendar year or part of a calendar year in which the participant received scholarship support.

The compromise agreement (section 213) contains this provision.

PERIOD OF APPOINTMENT OF CERTAIN TEMPORARY AND PART-TIME HEALTH-CARE PERSONNEL

A. Temporary and Part-Time Appointments

S. 2422 (section 216), but not the House bill, would amend section 4114(a) of title 38, relating to temporary full-time appointments and part-time appointments, to authorize the Administrator, under certain circumstances, to make temporary and part-time appointments for more than 1 year of certified or registered respiratory therapists, licensed physical therapists, and licensed practical or vocational nurses.

The compromise agreement (section 214(a)) contains this provision.

B. Licensure of Psychologists

S. 2422 (section 213), but not the House bill, would amend section 4105(a) of title 38, relating to the qualifications of Department of Medicine and Surgery employees, to provide the Administrator with the authority to waive the licensure or internship requirements, or both, for VA research psychologists who are to have no direct patient care responsibilities.

The compromise agreement (section 214(b)) contains a provision derived from this provision. The compromise agreement would amend section 4114(d) of title 38, relating to temporary full-time and part-time appointments, to provide the Administrator with the authority to waive the licensure requirements for VA psychologists employed on a less-than-permanent, full-time basis in a research or academic position or in a position with no direct responsibility for the care of patients.

The Committees stress that no psychologists employed by the VA pursuant to this authority are to have any patient-care responsibilities.

REPORT ON NATIONAL DRUG FILE

S. 2422 (section 217), but not the House bill, contains a provision requiring the Administrator to report to the Committees within 90 days on the VA's plans to establish and maintain a national drug file.

The compromise agreement (section 215) contains this provision.

STUDY OF VIETNAM-ERA VETERANS PSYCHOLOGICAL PROBLEMS

S. 2422 (section 210), but not the House bill, would amend section 102 of Public Law 98–160 regarding the study of Vietnam veterans' post-war psychological problems by requiring the Administrator to pay an appropriate stipend to each individual participating in the study in order to promote the participation of a sufficient number of study subjects.

The compromise agreement (section 216) contains this provision.

PART C—FACILITY CONSTRUCTION AND PLANNING

CONSIDERATION OF SHARING DEPARTMENT OF DEFENSE FACILITIES

S. 2422 (section 222), but not the House bill, would amend section 5004 of title 38, relating to the Committees' approval of the construction of VA facilities, to require the Administrator to describe in any prospectus submitted to the Committees in which the construction of a new or replacement facility is proposed what consideration was given to VA-DOD health-care resources sharing as a full or partial alternative to the new or replacement medical facility.

The compromise agreement (section 221) contains this provision with an amendment adding a requirement that the VA give consideration to VA-DOD sharing arrangements before initiating any major VA construction project.

ANNUAL REPORT ON FACILITIES CONSTRUCTION

H.R. 4623 (section 9), but not the Senate bill, would amend section 5007(a) of title 38, relating to the Administrator's annual report on the construction, replacement, alteration, and operation of medical facilities, to require that that report be based upon the plans and recommendations of the Chief Medical Director.

The compromise agreement (section 222) contains a provision derived from this provision requiring that, before submitting the report, the Administrator consider the analysis and recommendations of the Chief Medical Director.

The Committees believe that the Chief Medical Director should have a major role in the VA medical facility construction planning process and sufficient staff resources to carry out this important function. The Committees note that the Chief Medical Director, with the support of the Department of Medicine and Surgery facilities planning staff, has traditionally developed the construction report to Congress.

PARKING FACILITIES

S. 2422 (section 221), but not the House bill, would amend section 5009 of title 38, relating to parking facilities at VA medical facilities. Under the Senate bill, the VA would be required to establish and collect reasonable parking fees at all parking facilities used in connection with a VA medical facility where a garage is constructed, acquired, or altered at a cost of more than $500,000 (or leased for more than $100,000/year), and opens or is completed after September 30, 1986. Paid parking would be discretionary at all other VA medical facilities. Where a fee schedule is established, all individuals would be charged for parking, except for veterans and other eligible individuals seeking treatment, volunteer workers, and employees covered by certain existing union contracts that prohibit the charging of parking fees. Where mandated, fees would be required to recover, at a minimum, the operation and maintenance costs of all parking facilities at a VA medical facility.

The Senate bill would authorize the appropriation of funds into a parking revolving fund to finance parking facility construction, alteration, acquisition, and operation and maintenance costs. After September 30, 1986, the source of funds to be expended for construction, alteration, or acquisition of a garage would be limited to the revolving fund, except for construction planning costs and construction projects for which funds were appropriated prior to fiscal year 1987, which would continue to be funded from construction appropriation accounts. Operation and maintenance costs would be funded from either the revolving fund or from the medical care appropriation account. The Senate bill also would provide transition provisions for employees covered by collective bargaining agreements that, on the date of enactment of the bill, prohibit the VA from charging parking fees.

The compromise agreement (section 223) contains this provision with the following modifications: References to the charging of minimum fees sufficient to recover operation and maintenance costs of parking facilities and the authorization of appropriations to, the expenditure of funds from, and the establishment of a separate checking account in, the revolving fund for operation and maintenance costs for parking facilities, are deleted. The provision which would mandate paid parking is also modified so that paid parking would be required only where parking facilities are built with funds from the parking revolving fund.

The Committees have received information from the Veterans' Administration in connection with the VA's draft proposal for a paid parking program at certain VA medical centers that it intends, if Congress requires some paid parking, to establish a minimal monthly parking fee of $20 per parking space for its employees. This proposal is premised on the VA's intent not to charge visitors a fee for parking. The Committees want to emphasize that section 5009 of title 38 as revised by the compromise provision would not exempt visitors from being charged fees for parking where a fee-parking program would be established, because the Committees feel that the costs of fee parking should be shared by visitors, as well as employees. The Committees also emphasize that the VA is authorized to adjust the rates to be established in fee schedules

prescribed by the VA to take into account the special circumstances of frequent visitors to long-term patients, the desirability of encouraging employee car/van pools, varying employee pay levels, and night and weekend parking.

REVISION OF STATE VETERANS' HOME CONSTRUCTION GRANT PROGRAM

Both H.R. 4623 (section 10) and S. 2422 (section 223) would amend section 5033 of title 38, relating to the State Veterans' Home construction grant program, to extend for 3 years, through September 30, 1989, the authorization of appropriations for grants to States for the construction, renovation, or acquisition of State Veterans' Home facilities. The House bill would authorize appropriations of $50 million for fiscal year 1987; $60 million for fiscal year 1988; and $65 million for fiscal year 1989. The Senate bill would authorize such sums as may be necessary for the program. The House bill would also remove the restriction in current law (section 5035(d)(2) of title 38) that a State may receive no more than one-third of the amount appropriated in any fiscal year for grants for State home facilities. Further, the House bill would require that priority be given State home grant applications from States which have appropriated sufficient funds for the State share of the project for which grant application is made and from States which have no State home.

The Senate bill would eliminate the basis for a VA interpretation that current law requires the VA to use a "first-in/first-out" basis for awarding the grants and require the Administrator to prescribe regulations specifying a methodology to prioritize State home grant applications. The Senate bill would also repeal the authority for grants for the expansion of State home hospital facilities and (section 209) specify that VA State home per diem payments are not third party liabilities for Medicaid program purposes.

The compromise agreement (section 224), which is derived from these provisions, would extend for 3 years, through September 30, 1989, the authority for the appropriation of "such sums as are necessary" for State home facility grants; would remove the restriction that a State may receive no more than one-third of the amount appropriated for grants in any one fiscal year; and would eliminate the basis for a VA interpretation that current law requires grants to be awarded in order of the date on which applications are received. The agreement would also require that, effective July 1, 1987, the Administrator award grants according to a list of approved grant applications, in priority order, established as of July 1 of each year for awards to be made for the subsequent fiscal year. The priorities would be required to be as follows: First, applications for which the State portions of the funding for the projects have been appropriated and are available; second, applications from States that do not have any State home facilities; third, applications from States that have the greatest need for nursing home or domiciliary beds as determined by criteria and procedures specified by the Administrator in regulations; and, fourth, applications meeting any other criteria as determined by the Administrator and specified in regulations. Also, under the compromise agreement, a

grant for a hospital-expansion project could be awarded only after all nursing home and domiciliary projects are funded. The Administrator would be required to prescribe regulations, not later than April 1, 1987, for the implementation of the State Home provisions in the compromise agreement.

The Committees intend that a State be considered to meet the requirement for the first priority (having appropriated funds) if sufficient funds have been made available by the State so that construction or acquisition of the facility may proceed upon the approval of the grant without further action by the State in providing funding for the project. In addition, the Committees note that they intend no change in the implementation of present paragraph (2) of section 5035(b) of title 38 (paragraph (5) of section 5035(b) as proposed to be amended) regarding deferral of a current fiscal year approval of an application when the State has not provided adequate financial support for construction of the project by July 1.

PART D—MISCELLANEOUS

MODIFICATION OF CERTAIN REPORTING REQUIREMENTS

Both H.R. 4623 and S. 2422 would repeal or modify certain provisions of title 38, requiring reports to be submitted to the Congress or the President by the Administrator of Veterans' Affairs. The House bill (section 6) would extend from 2 to 4 years the interval between VA reports on pay comparability for VA physicians and dentists required under section 4117(g)(2) of title 38. The Senate bill would extend that interval from 2 to 3 years. The House bill (section 14) would repeal the requirement under section 612(b)(4) of title 38 for the Administrator to report on contract dental expenditures. The Senate bill would eliminate this report for any year for which the information on expenditures for this program is included in the VA portion of the President's budget. The House and Senate bills would delete the requirement, in section 5057 of title 38, of a report on the exchange of medical information program authorized under section 5054 of title 38. The Senate bill, but not the House bill, would eliminate the report required under section 201(c)(3) of title 38 on equitable relief.

The compromise agreement (section 231) contains the House provision on the special pay report and the Senate provision on the contract dental care report and would eliminate the requirement for a report on the VA's exchange of medical information program. The agreement does not contain the Senate provision to eliminate the reporting requirement concerning equitable relief.

IONIZING RADIATION REGISTRY

Both H.R. 4623 (section 11) and S. 2422 (section 212) contain provisions requiring the Administrator to establish and maintain an "Ionizing Radiation Registry" which would include the names of veterans who were exposed to ionizing radiation during their participation in the U.S. atmospheric nuclear weapons test program or the occupation of Hiroshima or Nagasaki after World War II and who apply for VA health care or compensation (or whose survivors apply for dependency and indemnity compensation (DIC) based on

such exposure). Under both bills, the Registry would include certain medical data, compensation claims data, and radiation dose estimate information related to each veteran listed in the Registry. The Administrator would be required to compile and consolidate for inclusion in the Registry information from the Department of Medicine and Surgery, Department of Veterans' Benefits, Defense Nuclear Agency, and other relevant VA or Department of Defense offices.

The compromise agreement (section 232) contains this provision.

The Senate bill, but not the House bill, would specify that, unless a veteran or the veteran's survivor makes a specific request, the Administrator is not required to include in the Registry the name of any veteran who applied for VA health-care services or filed a claim for compensation or whose survivor filed a claim for DIC prior to the date of enactment.

Under the compromise agreement, the Administrator would be required to include, to the extent feasible, the name of any veteran who may have been exposed to ionizing radiation even though the veteran applied for health-care services or compensation benefits (or the veteran's survivors filed a DIC claim) prior to the date of enactment and did not request that his or her name be included in the Registry.

The House bill, but not the Senate bill, would require the Administrator to conduct outreach to provide those veterans exposed to ionizing radiation with information regarding the Registry.

The compromise agreement does not contain this provision.

It is the Committees' intent, however, that the Administrator exercise his authority under section 241 of title 38 to provide outreach services to these veterans to provide them with information about the Registry.

REQUIREMENT FOR MEDICARE HOSPITALS TO PARTICIPATE IN VETERANS' ADMINISTRATION CONTRACT HEALTH-CARE PROGRAM

S. 2422 (section 214), but not the House bill, would amend section 1866(a)(1) of the Social Security Act, relating to the terms to which hospitals must agree in order to receive Medicare payment for inpatient care provided to Medicare beneficiaries, to add a requirement that, for inpatient care provided in connection with hospital admissions after January 1, 1987, such hospitals accept as payment for VA fee-basis patients amounts to be determined by the Secretary of Health and Human Services and the Administrator of Veterans' Affairs. The Secretary of Health and Human Services would be required to report to the Congress periodically on the number of hospitals that, as a result of this new requirement, terminate their eligibility to receive Medicare payments and the Administrator of Veterans' Affairs would be required to report by April 1, 1987, to the Veterans' Affairs Committees regarding the implementation of this new provision. Thereafter, the Secretary and Administrator would be required to notify the Committees if a hospital's eligibility to receive Medicare payments were, as a result of this new requirement, to be terminated. In H.R. 3500, the House-passed legislation which became the Consolidated Omnibus Budget Reconcilia-

tion Act of 1985, now Public Law 99-272, section 10024 contained similar provisions without the requirement for joint regulations.

The compromise agreement (section 233) contains this provision with a revised effective date of June 30, 1987. The Committees expect the Administrator and the Secretary to work together to ensure that payment amounts are adequate.

PROHIBITION AGAINST EXCESSING CERTAIN VETERANS' ADMINISTRATION PROPERTIES

H.R. 4623 (section 13), but not the Senate bill, would prohibit the Administrator from declaring as excess or taking any other action to dispose of certain specified real property located at two VA medical centers in California. The House bill would also provide that if any of the property is under the jurisdiction of another federal agency on the date of enactment the property must be transferred back to the VA.

The compromise agreement (section 234) is derived from this provision. The compromise agreement would render ineffective any VA action taken before January 1, 1988, in connection with declaring the properties as excess, or with transferring them, relinquishing the VA's interest in them, or disposing of them.

REPORT ON TREATMENT AND SERVICES FOR CHRONICALLY MENTALLY ILL VETERANS

S. 2422 (section 202), but not the House bill, would amend subchapter II of chapter 17 of title 38, relating to hospital, nursing home, and domiciliary care and medical treatment, to add a new section 620B to provide the Administrator with the authority to contract for care and treatment and rehabilitative services in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities for certain eligible veterans suffering from chronic mental illness. A veteran would be eligible to receive such care if, at the time of referral to a contract facility, the veteran (1) were receiving VA hospital, nursing home or domiciliary care for a chronic mental illness disability, or (2) had a service-connected disability rated at 50 percent or more and has a chronic mental illness disability. The Administrator would be required to approve the quality and effectiveness of the program in a facility before referring veterans to it and to designate a VA health-care employee to provide case-management services for each veteran receiving care under this authority. The Administrator would also be authorized to provide in-kind assistance to a contract facility provided that the VA were reimbursed for the assistance. The Administrator would be required, 3 years after the date of enactment, to submit to the Committees a report on the experience under these authorities.

The compromise agreement is generally derived from this provision. The compromise agreement (section 235) requires the Administrator to submit, not later than December 15, 1987, a report to the Committees on the implementation of the VA's existing contract care authorities and the VA's expanded home health services authority (section 202 of the compromise agreement) for eligible chronically mentally ill veterans.

The Committees support the VA's development of a demonstration project in Region 1 of VA's Department of Medicine and Surgery to provide, when medically appropriate and otherwise feasible, community-based treatment services for eligible chronically mentally ill veterans and expect that the report required by the compromise agreement will include information about the implementation of such a demonstration project. The Committees note that in a June 20, 1986, letter they requested the VA, among other things, to conduct two reviews and evaluations. The first would involve a review of the VA's patient population, particularly elderly veterans and chronically mentally ill veterans, currently receiving services in VA facilities to determine what percentage, if any, of the patients could receive needed care in noninstitutional settings if appropriate alternatives were available. The second review would be of the types of health and health-related services and alternative health-care settings that would enable veterans to avoid the institutional care that the VA would otherwise furnish them. The Committees direct the Administrator to take into account the findings of the reviews and evaluations in implementing the contract care and home health services authorities.

DESIGNATION OF VETERANS' ADMINISTRATION MEDICAL CENTER IN PHOENIX, AZ

S. 1887 (section 511), but no House bill, would name the Veterans' Administration Medical Center in Phoenix, Arizona, the "Carl T. Hayden Veterans' Administration Medical Center".

The compromise agreement (section 236) contains this provision.

PROVISIONS NOT INCLUDED

DISCIPLINARY BOARDS FOR MEDICAL PERSONNEL

H.R. 4623 (section 5), but not the Senate bill, would amend section 4110(a) of title 38, relating to disciplinary boards for medical personnel, to limit the use of such boards to cases involving proposed disciplinary actions involving (1) suspensions exceeding 14 calendar days, (2) demotions involving a loss of grade or pay, or (3) discharges of employees.

The compromise agreement does not contain this provision.

PILOT PROGRAM ON HOSPITAL MANAGEMENT EFFICIENCY

H.R. 4623 (section 12), but not the Senate bill, would require the Administrator to carry out a 3-year pilot program under which the directors of 5 medical centers, to be selected by the Administrator in consultation with the Committees on Veterans' Affairs of the Senate and House of Representatives, would have the authority to waive or alter laws or regulations, specified in each case by the directors, relating to the operation of VA medical centers. The Administrator would be required to submit to the Congress annual reports on the program.

The compromise agreement does not contain this provision.

OUTPATIENT CLINIC, NEW JERSEY

H.R. 4623 (section 16), but not the Senate bill, would require the Administrator to establish and operate a VA outpatient clinic in central or southern New Jersey.

The compromise agreement does not contain this provision.

PILOT PROGRAM OF NONINSTITUTIONAL ALTERNATIVES TO INSTITUTIONAL CARE

S. 2422 (section 204), but not the House bill, would require the Administrator to conduct a 4-year pilot program, at not less than 5 nor more than 10 demonstration projects, under which veterans eligible for and otherwise in need of VA hospital, nursing home, or domiciliary care, would instead receive care, including health-related services from non-VA entities, in non-institutional settings. Priority for participation in the program would be accorded to veterans with service-connected disabilities, to veterans who are 65 or older, to veterans who are totally and permanently disabled, to veterans who, by reason of blindness in both eyes, have only light perception or are in need of regular aid and attendance, and to veterans who are suffering from dementia, including Alzheimer's disease. The VA would be required to provide case-management services for all veteran-participants.

The compromise provision does not contain this provision.

SERVICES TO OVERCOME SERVICE-CONNECTED DISABILITY AFFECTING PROCREATION

S. 2422 (section 205), but not the House bill, would amend section 601 of title 38, relating to the definition of "medical services" for purposes of VA health care, to provide the Administrator with the authority to furnish medical services to a service-connected veteran or the spouse of a service-connected veteran to achieve pregnancy in cases in which the veteran's service-connected disability causes the veteran's inability to procreate.

The compromise agreement does not contain this provision.

The Committees note that the House Committee intends to explore the need for such authority in hearings next year.

ELIGIBILITY FOR DOMICILIARY CARE

S. 2422 (section 207), but not the House bill, would amend section 610(b) of title 38, relating to eligibility for domiciliary care, to provide the VA with the authority to provide such care to veterans who are in need of domiciliary care for the purpose of receiving treatment or rehabilitation and who either have a service-connected disability or are incapacitated from earning a living and have no adequate means of support.

The compromise agreement does not contain this provision.

ORGANIZATION OF THE DEPARTMENT OF MEDICINE AND SURGERY

S. 2422 (section 215), but not the House bill, would amend section 4103(a) of title 38, relating to the organization and staffing of the Office of the VA's Chief Medical Director, to establish one new po-

sition in that office (a second Associate Deputy Chief Medical Director), to allow new flexibility in the appointment of health-care professionals other than physicians to positions in that office, and to require that appointees to positions in that office be qualified in the administration of health services.

The compromise agreement does not contain this provision.

The Committees note that the House Committee intends to pursue this issue in hearings next year.

TITLE III—EDUCATION AND EMPLOYMENT

PART A—EDUCATION

APPRENTICESHIP OR OTHER ON-JOB TRAINING UNDER THE NEW GI BILL

S. 1887 (section 201), but no House bill, would amend section 1402 of title 38, relating to the definition of a program of education for purposes of chapter 30 of that title, the New GI Bill, to permit individuals training under the New GI Bill to pursue programs of apprenticeship or other on-job training. During the first 12 months of a veteran's participation in such training, the veteran's training allowance would be paid in an amount equal to the full amount of the veteran's educational assistance allowance. For such training pursued beyond that 12-month period the allowance would be paid at the rate of one-half of the full amount of the educational assistance allowance. The veteran's entitlement would be charged based on the amount of the allowance paid.

The compromise agreement (section 301) contains this provision with an amendment to provide that benefits are paid at 75 percent of the full-time rate during the first 6 months of training, 55 percent of the full-time rate during the second 6 months of training, and 35 percent of the full-time rate during any subsequent months of training.

The Committees note that section 101 of H.R. 3747, the proposed "Veterans' Education Amendments of 1986", as ordered reported by the House Committee on Veterans' Affairs on July 29, 1986, contained a comparable provision.

EDUCATIONAL ASSISTANCE FOR CORRESPONDENCE COURSES UNDER THE NEW GI BILL

S. 1887 (section 203), but no House bill, would amend section 1434 of title 38, relating to the administration of the New GI Bill program, to permit individuals training under the New GI Bill to pursue a program of education through home study.

The compromise agreement (section 302) contains this provision.

ADVISORY COMMITTEE AMENDMENTS CONCERNING NEW GI BILL; PROVISIONS RELATING TO REDUCTION OF PAY

S. 1887 (section 204), but no House bill, would amend section 1792 of title 38, relating to the VA's advisory committee on education, to add to the responsibilities of the committee responsibility for making recommendations to the Administrator with respect to the New GI Bill.

The compromise agreement (section 304) contains this provision with an amendment to name the committee the "Veterans' Advisory Committee on Education". The naming provision is derived from section 104 of H.R. 3747, the proposed "Veterans' Education Amendments of 1986", as ordered reported by the House Committee on Veterans' Affairs on July 29, 1986, which would similarly expand the responsibilities of the advisory committee.

S. 2422 (section 113), but no House bill, would further amend section 1792 of title 38, to delete a requirement that the advisory committee include representatives of veterans of World War II and the Korean Conflict.

The compromise agreement does not contain this provision.

In addition, the compromise agreement (section 303) contains a provision clarifying that the difference between the amount of basic pay received by a participant in the New GI Bill and the basic pay received by other new servicemembers shall revert to the Treasury and shall not be considered as ever having been received by the New GI Bill participant or to have been within the participant's control. This provision would take effect with respect to reductions made after December 31, 1985, and is derived from section 103 of H.R. 3747, relating to the establishment of a New GI Bill Educational Assistance Fund, as ordered reported by the House Committee on Veterans' Affairs on July 29, 1986.

CERTIFICATION UNDER NEW GI BILL

For a discussion of this provision in the compromise agreement (section 305), see discussion of section 319, below.

BAR TO DUPLICATION OF BENEFITS

S. 2422 (section 112), but no House bill, would amend present section 1433(a)(1) of title 38, relating to the bar to duplication of VA educational assistance paid to a veteran eligible for benefits under the New GI Bill, to extend the bar to prohibit a veteran from concurrently receiving benefits under that program of educational assistance and under the Hostage Relief Act of 1980.

The compromise agreement (section 306) contains this provision with an amendment that would require individuals who serve in the Selected Reserve and who establish eligibility for benefits under the New GI Bill and under a program of educational assistance established under chapter 106 of title 10, United States Code, to elect under which program of benefits service is to be credited. This amendment is derived from section 106 of H.R. 3747, as ordered reported by the House Committee on Veterans' Affairs on July 29, 1986. The Committees note that section 110 of H.R. 3747 contains a provision comparable to the Senate provision.

ADJUSTMENT OF DELIMITING PERIOD FOR INDIVIDUALS ENTITLED TO CERTAIN COMBINED BENEFITS

S. 1887 (section 202), but no House bill, would amend section 1411(a)(1)(B) of title 38, relating to the period of time in which benefits earned under the New GI Bill may be used, to provide that, in the cases of individuals who are eligible for educational assistance

under both the Vietnam-era GI Bill (chapter 34 of title 38) and the New GI Bill and who had left active duty after December 31, 1976, and reentered prior to the enactment of the New GI Bill on October 19, 1984, the delimiting periods for their use of the combined form of chapter 30/chapter 34 benefits (under section 1415(b) of title 38) would be reduced by the amount of time they had been out of the service.

The compromise agreement (section 307) contains this provision.

WORK-STUDY ALLOWANCE UNDER THE NEW GI BILL AND THE POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE PROGRAM

S. 1887 (section 205), but no House bill, would further amend section 1434 of title 38 and also amend section 1641 of title 38, relating to the administration of the Post-Vietnam Era Veterans' Educational Assistance Program (VEAP) (chapter 32), and section 1685, relating to the VA's work-study program, so as to permit veterans training under the New GI Bill or VEAP to participate in the work-study program.

The compromise agreement (section 308) contains this provision.

TERMINATION OF ENROLLMENTS IN THE POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE PROGRAM

The House amendment to S. 1887, as passed by the House on August 15, 1986, would amend chapter 32 of title 38, the Post-Vietnam Era Veterans' Educational Assistance Program (VEAP), to terminate that program for new enrollments, effective July 1, 1985.

The compromise agreement (section 309) contains this provision with an amendment providing that, notwithstanding the termination of VEAP, any individual on active duty in the Armed Forces who was eligible to enroll in VEAP on June 30, 1985, may enroll in this program prior to April 1, 1987, and requiring the Department of Defense to notify servicemembers, to the maximum extent feasible, of this extended opportunity for participation in VEAP.

ON-JOB TRAINING UNDER THE POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE PROGRAM

S. 1887 (section 206), but no House bill, would amend various provisions of chapter 32 of title 38, relating to VEAP, and add to that chapter a new section 1633, entitled "Apprenticeship or other on-job training", to permit individuals training under VEAP to pursue programs of apprenticeship or other on-job training with benefits paid in a manner similar to that proposed for under the New GI Bill (see discussion of section 301, above).

The compromise agreement (section 310) contains this provision with an amendment relating to the rate at which benefits are to be paid to conform with the manner in which benefits are to be paid for this type of training under the New GI Bill (see the same discussion).

DURATION OF AND LIMITATIONS ON ENTITLEMENT TO POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE

S. 1887 (section 207), but no House bill, would amend section 1632 of title 38, relating to the delimiting period for the use of VEAP benefits, to provide, in the case of a veteran who has been prevented from initiating or completing a program of education under VEAP because of a physical or mental disability not the result of the veteran's own misconduct, for the extension of the basic 10-year delimiting period by an amount of time equal to the amount of time that the disability prevented the veteran from pursuing a program of education.

The compromise agreement (section 311) contains this provision.

EDUCATIONAL AND VOCATIONAL COUNSELING

S. 1887 (section 208), but no House bill, would amend section 1663 of title 38, relating to educational and vocational counseling under various VA educational assistance programs, to require that veterans rated incompetent by the VA be provided with educational and vocational counseling prior to their selection of a program of education or training under chapter 30, 32, or 34.

The compromise agreement (section 312) contains this provision.

DELIMITING PERIOD UNDER THE SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE PROGRAM

S. 1887 (section 209), but no House bill, would amend section 1712 of title 38, relating to the period of time during which benefits may be paid to an eligible spouse under the Survivors' and Dependents' Educational Assistance Program (chapter 35), to allow an eligible spouse to elect, subject to the Administrator's approval, a date for beginning the 10-year period of chapter 35 eligibility that is earlier than the date on which the VA made the eligibility determination but not earlier than the date of the event that created the spouse's eligibility.

The compromise agreement (section 313) contains this provision.

ELIMINATION OF THE REQUIREMENT FOR AN EDUCATION PLAN FOR SURVIVORS AND DEPENDENTS

S. 1887 (section 210), but no House bill, would amend section 1720 of title 38, relating to educational and vocational counseling for survivors and dependents training under the chapter 35 program, to delete the requirement that an educational plan be submitted by a parent or guardian on behalf of a child before benefits are awarded to the child.

The compromise agreement (section 314) contains this provision.

MEASUREMENT OF CERTAIN NONCOLLEGE DEGREE COURSES

S. 1887 (section 211), but no House bill, would amend section 1788 of title 38, relating to the measurement of courses as full time or part time for the purposes of payment of VA educational assistance allowances, to permit measurement in a manner comparable to courses or individual classes that are part of programs leading to a

standard college degree of both (1) a non-college degree program that is offered by an accredited institution of higher learning and is in the same general field with predominantly the same curriculum as a degree program offered by the same institution, and (2) individual classes leading to a standard college degree that are required as part of a non-college degree program.

The compromise agreenent (section 315) contains this provision with an amendment permitting only courses offered by a fully-accredited institution to be measured in this manner.

PAYMENT OF EDUCATIONAL ASSISTANCE FOR CERTAIN LESS-THAN-HALF-TIME TRAINING

S. 1887 (section 212), but no House bill, would amend section 1780 of title 38, relating to payment of VA educational assistance allowances for less-than-half-time training, to require that payment of educational assistance allowances for less-than-half-time training be made not later than the end of—rather than during—the month following the month in which an enrollment certification is received.

The compromise agreement (section 316) contains this provision.

PROHIBITION ON BENEFITS UNDER MORE THAN ONE EDUCATIONAL ASSISTANCE PROGRAM

S. 1887 (section 213), but no House bill, would amend section 1781(b) of title 38, relating to certain restrictions on educational assistance benefits, to bar concurrent receipt of benefits for different programs of education pursued under two or more VA-administered educational assistance programs.

The compromise agreement (section 317) contains this provision.

The Committees note that section 110 of H.R. 3747 contains a provision comparable to the Senate provision.

REPORTING REQUIREMENTS FOR EDUCATIONAL INSTITUTIONS

S. 1887 (section 214), but no House bill, would amend section 1784 of title 38, relating to certain reporting requirements applicable to educational institutions under VA educational assistance programs, to permit the institutions to delay until the end of the term, quarter, or semester in submitting the certification of the enrollment of eligible VA students in the case of independent study pursued on a less-than-half-time basis, when there is no feasible means for the institution to monitor changes in or termination of enrollments.

The compromise agreement (section 318) contains this provision with an amendment requiring an educational institution to notify veterans at the time of enrollment if such a procedure is being used.

PROHIBITION OF A TERM-BY-TERM CERTIFICATION REQUIREMENT

S. 1887 (section 215), but no House bill, would further amend section 1784 of title 38 to prohibit the implementation of any requirement that an educational institution certify the enrollment of VA

students every term or semester for purposes of receipt of VA educational assistance.

The compromise agreement contains (section 319) this provision.

The compromise agreement (section 305) also amends section 1434 of title 38, relating to program administration under the New GI Bill, to conform to this prohibition. This amendment is derived from section 105 of H.R. 3747, as ordered reported by the House Committee on Veterans' Affairs on July 29, 1986, which would prohibit the VA from requiring monthly certifications of enrollments of VA students under the New GI Bill.

COMMISSION TO ASSESS VETERANS' EDUCATION POLICY

S. 1887 (section 216), but no House bill, would establish a Commission on Veterans' Education Policy (with representatives of the education community, the VA, the VA's Advisory Committee on Education, and the Congress) to study, and to submit within 18 months a report on, issues relating to the administration of VA educational assistance programs, including, but not limited to (1) the need for distinctions between certificate and degree courses, (2) measurement of the pursuit of training, (3) the vocational value of correspondence training, and (4) innovative and nontraditional programs of education.

The compromise agreement (section 320) contains this provision with an amendment requiring that the members of the Commission be appointed by March 1, 1987, and that the Commission's study and report include consideration of courses that result in the achievement of continuing education units.

TECHNICAL AND CLERICAL AMENDMENTS

S. 1887 (section 217) would make a series of minor technical amendments to provisions of title 38 relating to VA programs of educational assistance.

The compromise agreement (section 321) contains these provisions with an amendment adding certain other technical amendments. The latter amendments are derived from section 110 of H.R. 3747, as ordered reported by the House Committee on Veterans' Affairs on July 29, 1986.

PART B—EMPLOYMENT AND OTHER PROGRAMS

EMPLOYMENT RIGHTS OF CERTAIN INDIVIDUALS

H.R. 2798, but no Senate bill, would amend section 2021(b)(3) of title 38, relating to retention in employment or promotion of individuals who are members of a Reserve component of the Armed Forces, to provide protection against discrimination for such members in initial employment.

The compromise agreement (section 331) contains this provision.

VETERANS' READJUSTMENT APPOINTMENTS

H.R. 4384 and S. 2422 (section 104) would amend section 2014(b) of title 38, relating to veterans' readjustment appointments, to extend the authority for such appointments. H.R. 4384 would

extend the authority through December 31, 1991. S. 2422 would extend the authority through September 30, 1988. In addition, H.R. 4384 would increase the maximum grade level at which appointments may be made from GS-9 to GS-11, eliminate the 14-year education limitation applicable to Vietnam-era veterans who do not have a service-connected disability, and provide that a service-connected disabled veteran of the Vietnam era who has more than 14 years of education shall be given preference for an appointment over other Vietnam-era veterans who have more than 14 years of education.

The compromise agreement (section 332) contains a provision extending the authority for veterans' readjustment appointments for 3 years and 3 months, through December 31, 1989, with no further changes in the program.

EXTENSION OF PROGRAM OF INDEPENDENT LIVING SERVICES AND ASSISTANCE

S. 2422 (section 103), but no House bill, would amend section 1520(a) of title 38, relating to the VA's pilot program of independent living services and assistance, to extend the program for 3 years (fiscal years 1987-1989) for veterans who have service-connected disabilities so severe that achievement of a vocational goal is currently not reasonably feasible, make certain conforming changes, and require the Administrator to provide statistical data to the Committees on Veterans' Affairs, not later than February 1, 1989, regarding participation in the program by veterans during fiscal years 1987 and 1988, along with any recommendations for administrative or legislative action.

The compromise agreement (section 333) contains this provision. In addition, the compromise agreement would remove the word "pilot" from the title of the program.

TITLE IV—HOUSING PROGRAMS AND NATIONAL CEMETERIES

PART A—HOUSING

SPECIALLY ADAPTED HOUSING

Both S. 1887 (section 301) and H.R. 2344 (section 5) would amend sections 801 and 802 of title 38, relating to specially adapted housing grants for certain disabled veterans, to provide that such grants are also to be made to eligible disabled veterans (with service-connected blindness or loss or loss of use of both hands) to assist in the acquisition of a residence already adapted with special features determined by the Administrator to be necessary for the veteran by reason of the veteran's disability. The maximum amount of such grants would be equal to the lesser of the fair market value of the special features or $6,000.

The compromise agreement (section 401) contains this provision.

CREDIT UNDERWRITING AND LOAN PROCESSING STANDARDS

S. 1887 (section 302), but no House bill, would amend section 1810 of title 38, relating to loans guaranteed by the VA for the purchase

or construction of a home, to require the Administrator to prescribe regulations which establish credit underwriting standards to be used in evaluating VA home loans, and standards to be used by lenders in obtaining credit information and processing VA home loans. Under the Senate bill, the Administrator would be required to establish credit underwriting standards that include debt-to-income ratios, criteria for evaluating the reliability and stability of the veteran applicant's income, and procedures for ascertaining the monthly income required by the veteran to meet the anticipated loan payments. Such standards would be required to be in accordance with the loan underwriting principles and application procedures generally accepted and used by commercial lending institutions with respect to loans with comparable security arrangements. Lenders making VA-guaranteed loans would be required to certify that the loan was made in compliance with the credit information and loan processing standards established by the Administrator. The Senate bill would provide for a civil penalty (the greater of twice the VA's loss or an amount up to $10,000) to be paid by any lender who knowingly and willfully makes a false certification with respect to compliance with these standards. The Administrator would be given the authority to waive the credit underwriting standards if the Administrator determines that a veteran applicant is a satisfactory credit risk. Finally, under the Senate bill, the Administrator would be prohibited from making loans for the purchase of a property unless the purchaser meets the credit underwriting standards established for VA-guaranteed loans.

The compromise agreement (section 402) contains these provisions with an amendment deleting the requirement for credit standards for VA-guaranteed loans to be the same as those used by lending institutions for non-VA loans with comparable security arrangements.

FORECLOSURE INFORMATION

S. 1887 (section 304), but no House bill, would amend section 1816 of title 38, relating to procedures on default on VA-guaranteed home loans, to require additional action by the Administrator and holder of a VA-guaranteed loan. Under the Senate bill, the holder of a VA-guaranteed loan would be required to promptly notify the the Administrator of any failure of the veteran to make, in full, 2 monthly payments. The Administrator would then be required to notify the veteran of the new requirement that the holder of a loan in default initiate foreclosure proceedings within 15 days after the veteran has failed to make, in full, 4 monthly payments. The Senate bill would also relieve the VA of liability for interest accrued on a loan in default between the time when foreclosure proceedings were required to have been initiated and such time as they are. Finally, under the Senate bill, the Administrator would be required to identify the common factors contributing to defaults on VA-guaranteed loans and include findings in this regard in the VA's annual report to Congress.

The compromise agreement (section 403) is derived from the Senate bill.

The compromise agreement would require the Administrator to identify the common factors contributing to defaults on VA-guaranteed loans and include findings in this regard in the VA's annual report to the Congress and require a separate analysis, and reporting thereon, of delinquent loans which had previously been assumed by another party.

COMPETITIVE CONTRACTING REQUIREMENTS

S. 1877 (section 305), but no House bill, would amend section 1820(b) of title 38, relating to contract requirements for services and supplies, to conform the threshold amount at which contracts must be formally advertised to the amount specified in section 5 of title 41, United States Code.

The compromise agreement (section 404) contains this provision.

AUTHORITY TO TRANSFER FUNDS

S. 1887 (section 305), but no House bill, would amend section 1823 of title 38, relating to the Direct Loan Revolving Fund (DLRF), to require the Secretary of the Treasury to transfer from the DLRF to the Loan Guaranty Revolving Fund such funds as the Administrator determines are not needed in the DLRF, and to require the Administrator to notify Congress when such transfers take place.

The compromise agreement (section 405) contains this provision.

USE OF ATTORNEYS IN HOME LOAN FORECLOSURES

S. 1887 (section 307), but no House bill, would amend section 1830(a) of title 38, relating to the use of attorneys in court, to authorize the Administrator to acquire the services of fee-basis attorneys, without the concurrence of the Attorney General, to exercise the right of the Federal government to bring suit to foreclose a VA-guaranteed loan and/or to recover possession of any property acquired by the VA.

The compromise agreement (section 406) contains this provision.

APPRAISALS

S. 1887 (section 308), but no House bill, would further amend chapter 37 of title 38 to add a new section 1831, relating to value appraisals of property that would secure loans made or guaranteed by the VA. Under the Senate bill, the Administrator would be required to prescribe standardized examinations and qualifications to be used in determining whether to approve an appraiser to make appraisals on a fee-basis for the VA. The Administrator would also be required to consult locally with representatives of the mortgage lending community for the purposes of developing and maintaining lists of appraisers approved to appraise property for the VA, and to select appraisers on a rotating basis for that purpose. After an appraisal is performed, the Administrator would be required to provide a copy of the appraisal report to the prospective lender before issuing a Certificate of Reasonable Value (CRV) for that property. Under the Senate bill, the lender would have the option of requesting a second appraisal to be performed by an approved VA fee-basis appraiser of the lender's choice which would be required to be

considered by the Administrator prior to the issuance of a CRV. Finally, the Senate bill would require the Administrator to establish fee limitations for appraisals that are not below the prevailing market rates.

The compromise agreement (section 407) is derived from these provisions. Under the compromise agreement, the Administrator, after consultation with representatives of the mortgage lending community, would be required to prescribe uniform qualifications to be met by appraisers performing appraisals for the VA. The compromise agreement contains the provisions concerning the development and maintenance of the lists of approved appraisers, and the rotating selection process. The agreement also contains the provision allowing for a second appraisal to be furnished to the Administrator by the proposed lender, but prohibits the cost of such appraisal to be incurred by the prospective veteran purchaser. The compromise provides that the veteran be afforded the same opportunity at the veteran's expense to provide the Administrator with an additional appraisal performed by an approved VA appraiser. Under the compromise agreement, the VA would issue a CRV after the initial appraisal is performed, and if, within a specified length of time prescribed by the Administrator, a second appraisal is provided to the VA, the VA would consider the appropriateness of issuing a revised CRV. Finally, the provision relating to minimum fees to be paid to appraisers is deleted.

The Committees note that nothing in this provision is intended to change current law, or VA regulations or practices, with respect to the VA's use of its own staff appraisers.

FURNISHING INFORMATION TO REAL ESTATE PROFESSIONALS TO FACILITATE THE DISPOSITION OF PROPERTIES

S. 1887 (section 309), but no House bill, would further amend chapter 37 of title 38 to add a new section 1832 requiring the Administrator to furnish to real estate brokers and other real estate professionals information on the availability of property for disposition and the procedures used by the VA to dispose of such property.

The compromise agreement (section 408) contains this provision.

HOME LOAN ORIGINATION FEE

H.R. 2344 (section 6), but no Senate bill, expresses the sense of the Congress that the 1-percent loan origination fee currently charged under section 1829 of title 38 to veterans using their VA loan guaranty entitlement should not be increased as has been proposed by the Administration.

The compromise agreement (section 409) contains a provision derived from this provision. Under the compromise agreement, the Congress makes no findings with regard to the 1-percent loan origination fee and simply expresses the sense of the Congress that the fee should not be increased above the 1-percent level. The agreement also reflects that current law calls for section 1829 of title 38 to sunset on October 1, 1987.

LOAN GUARANTY AMOUNT

S. 1887 (section 303), but no House bill, would amend sections 1810 and 1811 of title 38, relating to the maximum amount of loan-guaranty entitlement available to eligible veterans, to increase such entitlement from $27,500 to $33,500.

The compromise agreement does not contain this provision.

TASK FORCE ON PROPERTY MANAGEMENT AND DISPOSITION

S. 1887 (section 310), but no House bill, would require the Administrator to establish a task force for the purpose of developing effective methods for the exchange of information between the VA and the real estate community on efficient property management and disposition and to advise the Administrator on ways to improve the manner in which the VA manages and disposes of property.

The compromise agreement does not contain this provision.

The Committees recognize that the VA is currently working to establish more effective property management and disposition practices and intend to closely monitor its efforts.

PROPERTY MANAGEMENT AND DISPOSAL PILOT PROGRAM

S. 1887 (section 311), but no House bill, contains a provision relating to a property management and disposition pilot program. Under the Senate bill, the Administrator would be required to contract with one or more commercial organizations for the purpose of determining the effectiveness, feasibility and desirability of contracting with such organizations to manage and dispose of VA-acquired property.

The compromise agreement does not contain this provision.

The Committees recognize that the VA is currently taking steps to examine the possibility of implementing such a program.

ACQUISITION OF FORECLOSED PROPERTIES

S. 2422 (section 111), but no House bill, would amend section 1816 of title 38, relating to procedures on default and foreclosure, to prohibit the Administrator from accepting conveyance of the title to a property securing a VA-guaranteed loan which has been foreclosed unless the Administrator determines that the VA is likely to be able to sell such property within 12 months after the date of foreclosure at a price which is economically advantageous to the government.

The compromise agreement does not contain this provision.

However, the Committees did receive from the Congressional Budget Office an estimate of the cost of implementing such a provision. The CBO estimate indicated that the provision would be cost effective, and for that reason the Committees intend to monitor the VA's property acquisition practices and to request the Congressional Budget Office to undertake an economic assessment of the VA's current practice in this regard and of the effects of such a provision.

PART B—NATIONAL CEMETERIES

NATIONAL CEMETERY GRAVE MARKERS

Both S. 1887 (section 401) and H.R. 2344 (section 3) would amend section 1004 of title 38, United States Code, relating to the administration of the National Cemetery System, to specify what types of grave markers are to be used. The House bill would require that, with respect to markers for the graves of persons who die after September 30, 1985, all markers in National Cemeteries be upright except where a request is made for a flat marker; in the case of such request, the individual would be buried in cemetery sections required to be designated for graves with flat markers. The House bill would also provide that during the period October 1, 1985, through December 31, 1985, the Administrator could waive the requirement for upright markers in the cases of individuals being buried during that period in a cemetery having no section designated for graves with upright markers and could deny requests for flat markers in a cemetery having no section designated for flat markers. Finally, the House bill would require that, not later than January 1, 1986, the Administrator designate in each National Cemetery an area where flat markers are to be used and an area where upright markers are to be used.

The Senate bill would generally require that after June 30, 1986, all new markers in National Cemeteries be flat, but would require that (1) the Administrator designate space in each National Cemetery (except for those established before January 1, 1986, in which upright markers have never been used) for the use of upright markers, and (2) in the case of an individual who dies after July 1, 1986, an upright marker be used if a request were made for one and space were available in a designated section.

The compromise agreement (section 411) would require upright markers in all National Cemeteries for interments which occur after January 1, 1987, with two exceptions. First, the requirement for upright markers would not apply to cemeteries closed or scheduled to close prior to September 30, 1991, as indicated in the VA materials submitted in justification of the President's budget for fiscal year 1987. Second, the compromise would permit the Administrator to continue to furnish flat markers in an open section where flat markers are being used on the date of enactment, until the section is completed.

REPORTS ON THE NATIONAL CEMETERY SYSTEM

Both S. 1887 (section 402) and H.R. 2344 (section 2) would amend section 1000 of title 38, relating to the National Cemetery System, to require certain reports on the system. The House bill would require the Administrator to submit an annual report which would be required to include a 5-year plan for National Cemetery construction and expansion, a list of 10 areas in which the need for additional burial space for veterans is the greatest, and general plans for expansion of the system. The Senate bill would require the Administrator to submit two reports (one 18 months and one 60 months after enactment) on the National Cemetery System and to include in each a plan for operation of the system through the year

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2000, trends through the year 2020, a list of 10 areas in which the need for additional burial space for veterans is the greatest, and general plans for any anticipated expansion of the system.

The compromise agreement (section 412) follows the Senate provision with the first report required within 90 days after the date of enactment.

MEMORIAL AREAS IN ARLINGTON NATIONAL CEMETERY

S. 1887 (section 403), but no House bill, would amend chapter 75 of title 10, United States Code, to authorize the Secretary of the Army to place memorials in Arlington National Cemetery to honor the memory of certain servicemembers and veterans, otherwise eligible for burial in Arlington National Cemetery, whose remains are not available for interment.

The compromise agreement (section 413) contains a provision adding this authority to chapter 24 of title 38.

AUTHORITY TO ESTABLISH NATIONAL CEMETERIES

Both H.R. 4345 and the Senate amendment to H.R. 4345 contained provisions relating to the establishment of certain national cemeteries. The House bill would authorize the Administrator to establish a national cemetery in or near Cleveland, Ohio. The Senate amendment would specify that the existing authority of the Administrator under chapter 24 of title 38 to develop and acquire cemeteries includes, but is not limited to, the authority to establish new national cemeteries to serve the needs of veterans and their families in 10 specified regions of the United States as well as in any State where there is no open national cemetery.

The compromise agreement (section 414) contains the Senate amendment.

ESTABLISHMENT OF A NATIONAL CEMETERY IN NORTHERN CALIFORNIA

H.R. 2344 (section 4), but no Senate bill, would require the Administrator to accept a donation of a certain tract of land in Merced County, California, and to establish a National Cemetery on such land.

The compromise agreement does not contain this provision.

The Committees note that the Administrator has decided administratively to take these actions.

TITLE V—ADMINISTRATIVE PROVISIONS

CLARIFICATION OF REQUIREMENT FOR A DETAILED PLAN AND JUSTIFICATION FOR ADMINISTRATIVE REORGANIZATION

S. 1887 (section 501), but no House bill, would amend section 210(b)(2) of title 38, relating to the manner in which the VA may undertake certain administrative reorganizations, to provide a definition of the "detailed plan and justification" which the VA must provide to the Congress before the VA is permitted to implement certain administrative reorganizations.

The compromise agreement (section 501) contains this provision.

COLLOCATION OF REGIONAL OFFICES AND MEDICAL CENTERS

S. 1887 (section 506), but no House bill, would require the VA to submit a plan and timetable for the collocation as soon as practicable of 7 DVB regional offices to the grounds of VA Medical Centers. The VA would be required to report to the Congress on the costs and savings, advantages and disadvantages of such collocations. The report could also include an assessment of the advantages, disadvantages, and costs of combining regional offices located near each other.

The compromise agreement (section 502) contains this provision except that the plan must be submitted by March 1, 1987, the regional offices to be collocated must be located in the same metropolitan area as the Medical Centers with which they would be collocated, and the authority for the VA report to assess the advantages and disadvantages of combining regional offices located near each other is deleted.

EFFECTIVE DATE OF DISCONTINUANCE OF CERTAIN BENEFITS PAID TO INCOMPETENT INDIVIDUALS

S. 1887 (section 504), but no House bill, would amend section 3203(b)(1)(A) of title 38, relating to the interruption of benefit payments to incompetent institutionalized veterans without dependents due to the size of their estates. The Senate bill would increase, from $1500 to $6000, the amount allowed in such a veteran's estate before payment of compensation or pension would be interrupted. Under the Senate provision, interrupted benefit payments would be resumed when the value of the estate falls to $2000 rather than the $500 provided by current law.

The compromise agreement (section 503) is derived from this provision. The compromise agreement would amend section 3203 to make interruption of benefits effective on the first day of the month following the institutionalization of such an incompetent veteran without dependents.

ADMINISTRATIVE DEBT COLLECTION BY OFFSET OF BENEFITS

S. 2422 (section 116), but no House bill, would amend section 3101 of title 38, relating to the non-assignability of benefits payable by the VA and limitations on the collection of debts by offset or otherwise, to permit the VA to collect, by means of offset from compensation or pension, certain overpayments in military retired or retainer pay, or overpayments resulting from participation in the Survivor Benefit Plan (SBP) or Retired Serviceman's Family Protection Plan (RSFPP). Such collection would be limited to veterans who would be in receipt of military retired or retainer pay were it not for their election to waive retired or retainer pay in order to receive VA disability compensation. The military service department must attempt collection and determine the debt to be uncollectable before requesting VA collection by means of offset.

The compromise agreement (section 504) contains this provision with an amendment limiting it to debts resulting from a retired servicemember's failure to make required SBP or RSFPP payments.

The Committees note that, while the compromise agreement does not provide for collection of debts in retired or retainer pay accounts, such a provision would be reconsidered if submitted by the Administration as part of a package also providing for collection by the Department of Defense of debts owed by servicemembers or retirees to the VA as well as collection by the VA of debts owed to the Department of Defense.

DISCLOSURE OF FINANCIAL INFORMATION BY FIDUCIARIES

Both H.R. 5299 (section 201) and S. 2422 (section 114) would amend section 3202(b) of title 38, relating to financial information provided to the VA by fiduciaries entrusted with the management of the veterans' benefits of incompetent or minor beneficiaries, to make clear that the VA may suspend payments to a fiduciary who fails to provide the VA an accounting of all the funds and assets of the beneficiary which are known to the fiduciary.

The compromise agreement (section 505) contains this provision.

LOCATION OF VA REGIONAL OFFICES

H.R. 2343 (section 2), but no Senate bill, would require the VA to maintain at least one VA regional Office in each state to process claims for disability and death compensation, pension, and educational benefits and to process applications for home loans.

The compromise agreement does not contain this provision.

The Committees note that this provision was initiated in response to an Administration proposal to consolidate the 58 current regional offices into 3 central locations. This consolidation proposal is apparently no longer under consideration, but the Committees express the view that a future proposal for such a consolidation would be viewed with disfavor.

DEFINITION OF ACTIVE DUTY STATUS FOR NATIONAL GUARD OPERATIONAL DUTY

H.R. 2343 (section 6), but no Senate bill, would amend section 101(22)(c) of title 38, relating to the definition of "active duty", to expand the definition of "active duty", for purposes of eligibility for benefits provided by title 38, to include active duty for training performed for operational purposes by National Guard members in Active Guard and Reserve and Active Duty Support status.

The compromise agreement does not contain this provision.

DEFINITION OF THE VIETNAM ERA

S. 1887 (section 502), but no House bill, would amend the definition of the Vietnam era in section 101(29) of title 38 to add the period from February 21, 1961, through August 4, 1964, in the case of veterans who served in the Republic of Vietnam during that period.

The compromise agreement does not contain this provision.

WAIVER OF WAITING PERIOD FOR ADMINISTRATIVE REORGANIZATION

S. 2422 (section 115) would waive the waiting period prescribed by present section 210(b)(2) of title 38—which provides, in part, that

the VA may not in any fiscal year implement certain administrative reorganizations unless the Administrator, not later than the date or which the President submits the budget for that year, provides a report containing a detailed plan and justification for the reorganization—with respect to a reorganization involving the transfer of the Presidential Memorial Certificates (PMC) program from the VA's Office of Administration to the VA's Department of Veterans' Benefits (DVB) and of the Audio Visuals Service (AVS) from the VA's Office of Administration to the Office of the Associate Deputy Administrator for Public and Consumer Affairs.

The compromise agreement does not contain this provision.

The Committees note that on October 1, 1986, the VA transfer of the PMC program to DVB occurred and that, on September 26, 1986, the VA notified the Committees that it had decided to postpone the transfer of the AVS.

TITLE VI—EXEMPTION OF CERTAIN PROGRAMS FROM BUDGET REDUCTION

TREATMENT OF CERTAIN VETERANS' PROGRAMS UNDER BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985

H.R. 5299 (section 202), but no Senate bill, would add two new sections to title 38, United States Code, to exempt from across-the-board reductions under the Balanced Budget and Emergency Deficit Control Act of 1985, Public Law 99-177, or any other law requiring those kinds of general reductions, certain veterans' benefit programs, principally those available to veterans with service-connected disabilities. The House bill, effective with respect to fiscal year 1987 and subsequent fiscal years, would exempt from any such "sequestration" reduction under Public Law 99-177 the following VA benefits payable as the result of a disability which was incurred or aggravated during military service or a death resulting from a service-connected cause:

1. Specially adapted housing benefits and mortgage protection life insurance for veterans who require special accomodations in their home as a result of a service-connected disability.
2. Burial benefits for veterans who die as a result of a service-connected disability.
3. Grants for automobiles and adaptive equipment to permit veterans with severe disabilities to acquire or operate motor vehicles.
4. Vocational rehabilitation assistance for certain veterans with service-connected disabilities.
5. Educational benefits payable to dependents of veterans with service-connected disabilities rated totally disabling and to survivors of veterans who die of service-connected causes.

The House bill would provide that the amounts for the payment of these exempted benefits would be excluded in the computation of the amount to be sequestered from an account from which any of the above benefits are paid.

The House bill would also exempt from sequestration, effective with respect to fiscal year 1986 and subsequent fiscal years, VA home loan guaranties and insurance policy loans under the various VA-administered life insurance programs. In addition, the House

bill would exempt, effective with respect to fiscal year 1987 and subsequent fiscal years, the VA Special Therapeutic Rehabilitation Activities Fund and the Canteen Service Revolving Fund from any mandatory reduction under Public Law 99-177.

With respect to two programs, GI Bill education assistance and non-service-connected burial benefits, for which no exemption is proposed, the House bill would modify the manner in which any sequestration would be carried out in fiscal year 1987 or subsequent fiscal years. Instead of sequestration reductions being made in all payments made while a sequester order is in effect, as under current law, the reductions would be made in payments for education or training pursued, and for deaths that occured, during the period that the order is in effect.

The compromise agreement (section 601) contains these provisions with an amendment limiting to only fiscal year 1987 the exemptions for vocational rehabilitation and survivors' and dependents' education benefits; postponing to fiscal year 1987 the effective date for the exemption for insurance policy loans; deleting the exemption for VA home loan guaranties; and requiring that, in the event of a sequester affecting the home loan guaranty program, the VA submit to the Committees a monthly report on the guaranty program's current and projected activity levels during the fiscal year involved. With the exception of the fiscal year 1987 exemption for dependents' and survivors' education benefits, S. 2885 as reported on September 27, 1986, by the Senate Committee contained provisions to exempt the same programs, as well as a provision to require the loan guaranty report.

In conjunction with the provision linking sequestration reductions in the non-exempt programs to the period during which the event giving rise to the payment occurred rather than the period during which payment is made, the compromise agreement would require that the amounts of the reductions which would occur after the end of the sequester period be counted in determining the benefit reductions required in order to satisfy the sequestration.

TITLE VII—MISCELLANEOUS

H.R. 5047, but no Senate bill, would amend various provisions of title 38 and other provisions of law to eliminate gender-based language distinctions and make technical corrections.

The compromise agreement (title VII) contains these provisions.

The Committees note that none of the amendments to eliminate enter-based language distinctions are intended to have a substantive effect.

CHANGES IN EXISTING LAW MADE BY H.R. 5299 AS ENACTED

Changes in existing law made by titles I through VI of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986 (Public Law 99-576) [1] are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change was made is shown in roman):

TITLE 38—UNITED STATES CODE

* * * * * * *

PART I—GENERAL PROVISIONS

* * * * * * *

CHAPTER 1—GENERAL

Sec.
101. Definitions.
102. Dependent parents; husbands.
103. Special provisions relating to marriages.
104. Approval of educational institutions.
105. Line of duty and misconduct.
106. Certain service deemed to be active service.
107. Certain service deemed not to be active service.
108. Seven-year absence presumption of death.
109. Benefits for discharged members of allied forces.
110. Preservation of disability ratings.
111. Travel expenses.
112. Presidential memorial certificate program.
113. Treatment of certain programs under sequestration procedures.

* * * * * * *

§ 113. Treatment of certain programs under sequestration procedures

(a) The following programs shall be exempt from sequestration or reduction under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901 et seq.) or any other sequestration law and shall not be included in any report specifying reductions in Federal spending:

(1) Benefits under chapter 21 of this title, relating to specially adapted housing and mortgage-protection life insurance for certain veterans with service-connected disabilities.

(2) Benefits under section 907 of this title, relating to burial benefits for veterans who die as the result of a service-connected disability.

(3) Benefits under chapter 39 of this title, relating to automobiles and adaptive equipment for certain disabled veterans and members of the Armed Forces.

(4) Assistance and services under chapter 31 of this title, relating to training and rehabilitation for certain veterans with

[1] The changes made by title VII, which consist of various technical amendments are not reflected in this document.

service-connected disabilities (but only with respect to fiscal year 1987).

(5) Benefits under chapter 35 of this title, relating to educational assistance for survivors and dependents of certain veterans with service-connected disabilities (but only with respect to fiscal year 1987).

(b) The following accounts of the Veterans' Administration shall be exempt from sequestration or reduction under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901 et seq.) or any other sequestration law and shall not be included in any report specifying reductions in Federal spending:

(1) The following life insurance accounts:

(A) The National Service Life Insurance Fund authorized by section 720 of this title.

(B) The Service-Disabled Veterans Insurance Fund authorized by section 722 of this title.

(C) The Veterans Special Life Insurance Fund authorized by section 723 of this title.

(D) The Veterans Reopened Insurance Fund authorized by section 725 of this title.

(E) The United States Government Life Insurance Fund authorized by section 755 of this title.

(F) The Veterans Insurance and Indemnity appropriation authorized by section 719 of this title.

(2) The following revolving fund accounts:

(A) The Veterans' Administration Special Therapeutic and Rehabilitation Activities Fund established by section 618(c) of this title.

(B) The Veterans' Canteen Service revolving fund authorized by section 4204 of this title.

(c)(1) A benefit under section 901, 902, 903, 906, or 908 of this title that is subject to reduction under a sequestration order or sequestration law shall be paid in accordance with the rates determined under the sequestration order or law (if any) in effect on the date of the death of the veteran concerned.

(2) A benefit paid to, or on behalf of, an eligible veteran for pursuit of a program of education or training under chapter 30, 34, or 36 of this title that is subject to a sequestration order or a sequestration law shall be paid in accordance with the rates determined under the sequestration order or law (if any) in effect during the period of education or training for which the benefit is paid.

(3) In implementation of a sequestration order or law with respect to each account from which a benefit described in paragraph (1) or (2) of this subsection is paid (including the making of determinations of the amounts by which such benefits are to be reduced), the total of the amounts (as estimated by the Administrator after consultation with the Director of the Congressional Budget Office) by which payments of such benefit will be reduced by reason of such paragraph after the last day of the period during which such order or law is in effect shall be deemed to be additional reductions in the payments of such benefit made, and in new budget authority for such payments, during such period.

(d) In computing the amount of new budget authority by which a budget account of the Veterans' Administration is to be reduced for

a fiscal year under a joint report of the Directors of the Office of Management and Budget and the Congressional Budget Office, or under an order of the President under part C of the Balanced Budget and Emergency Deficit Control Act of 1985, the base from which the amount of the reduction for such account is determined shall be established without regard to any amount of new budget authority in such account (determined under section 251(a)(6) of such Act) for any of the programs listed in subsection (a) of this section.

(e) If a final order issued by the President pursuant to a law providing for the cancellation of loan guarantee commitments imposes a limitation on the total amount of loa s that may be guaranteed under chapter 37 of this title in any fis al year, the Administrator shall submit to the Committees of Vete ans' Affairs of the Senate and the House of Representatives a mo thly report (not later than the 10th day of each month during th remainder of such fiscal year following the issuance of such fin l order) providing the following information:

(1) The total amount of the loans for which commitments of guarantees were made under such chapter during the preceding month.

(2) The total amount of the loans for which commitments were made during the fiscal year through the end of such preceding month.

(3) The Administrator's estimates as to the total amounts of the loans for which commitments would, in the absence of any limits on such commitments or guarantees, be made during (A) the month in which the report is required to be submitted, and (B) the succeeding months of the fiscal year.

(f) This section applies without regard to any other provision of law (whether enacted before, on, or after the date of the enactment of this section) unless such Act expressly provides that it is enacted as a limitation to this section.

(g) For the purposes of this section:

(1) The term "sequestration" means a reduction in spending authority and loan guarantee commitments generally throughout the Government under the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901 et seq.) or any other law.

(2) The term "sequestration law" means a law enacted with respect to a sequestration under the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901 et seq.) or any other law (under the procedures specified in that Act or otherwise).

(3) The term "sequestration order" means an order of the President issued under part C of such Act.

CHAPTER 3—VETERANS' ADMINISTRATION; OFFICERS AND EMPLOYEES

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Subchapter II—Administrator of Veterans' Affairs

§ 210. Appointment and general authority of Administrator; Deputy Administrator

(a) * * *

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(b)(1) * * *

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(2)(A) * * *

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(C) For the purposes of this paragraph--

(i) The term "administrative reorganization" means a consolidation, elimination, abolition, or redistribution of functions under the authority granted the Administrator under the second sentence of paragraph (1) of this subsection.

(ii) The term "covered office or facility" means a Veterans' Administration office or facility that is the permanent duty station for 25 or more employees or that is a free-standing outpatient clinic.

(iii) The term "detailed plan and justification" means, with respect to an administrative reorganization, a written report which at a minimum—

(I) specifies the number of employees by which each covered office or facility affected is to be reduced, the responsibilities of those employees, and the means by which the reduction is to be accomplished;

(II) identifies any existing or planned office or facility at which the number of employees is to be increased and specifies the number and responsibilites of the additional employees at each such office or facility;

(III) describes the changes in the functions carried out at any existing office or facility and the functions to be assigned to an office or facility not in existence on the date that the plan and justification are submitted pursuant to subparagraph (A) of this paragraph;

(IV) explains the reasons for the determination that the reorganization is appropriate and advisable in terms of the statutory missions and long-term goals of the Veterans' Administration;

(V) describes the effects that the reorganization may have on the provision of benefits and services to veterans and dependents of veterans (including the provision of benefits and services through offices and facilities of the Veterans' Administration not directly affected by the reorganization); and

(VI) provides estimates of the costs of the reorganization and of the cost impact of the reorganization, together with analyses supporting those estimates.

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§ 218. Security and law enforcement on property under the jurisdiction of the Veterans' Administration

(a)(1) * * *

* * * * * * *

(b)[(1) Veterans' Administration employees who are Veterans' Administration police officers shall enforce Federal laws and the rules prescribed under subsection (a)(2)(A) of this section on Veterans' Administration property. Subject to regulations prescribed under paragraph (2) of this subsection, a Veterans' Administration police officer may make arrests on Veterans' Administration property for a violation of any Federal law or any such rule.]

(1)(A) Veterans' Administration employees who are Veterans' Administration police officers shall, with respect to acts occurring on Veterans' Administration property, enforce—

(i) Federal laws;

(ii) the rules prescribed under subsection (a)(2)(A) of this section; and

(iii) subject to subparagraph (B) of this paragraph, traffic and motor vehicle laws of a State or local government within the jurisdiction of which such Veterans' Administration property is located.

(B) A law described in clause (iii) of subparagraph (A) of this paragraph may be enforced under such clause only as authorized by an express grant of authority under applicable State or local law. Any such enforcement shall be by the issuance of a citation for violation of such law.

(C) Subject to regulations prescribed under paragraph (2) of this subsection, a Veterans' Administration police officer may make arrests on Veterans' Administration property for a violation of a Federal law or any rule prescribed under subsection (a)(2)(A) of ihis section.

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PART II—GENERAL BENEFITS

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CHAPTER 11—COMPENSATION FOR SERVICE-CONNECTED DISABILITY OR DEATH

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SUBCHAPTER VI—GENERAL COMPENSATION PROVISIONS

351. Benefits for persons disabled by treatment or vocational rehabilitation.
352. Persons heretofore having a compensable status.
353. Aggravation.
354. Consideration to be accorded time, place and circumstances of service.
355. Authority for schedule for rating disabilities.
356. [REPEALED].
357. Combination of certain ratings.
358. Disappearance.
359. Protection of service connection.
360. Special consideration for certain cases of [blindness or bilateral kidney involvement or bilateral deafness.] *loss of paired organs or extremities.*
361. Payment of disability compensation in disability severance cases.

362. Clothing allowance.
363. Temporary program for trial work periods and vocational rehabilitation for certain veterans with total disability ratings.

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Subchapter II—Wartime Disability Compensation

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§ 312. Presumptions relating to certain diseases and disabilities

(a) * * *

* * * * * * *

(b) For the purposes of section 310 of this title and subject to the provisions of section 313 of this title, in the case of a veteran who is a former prisoner of war and who was detained or interned for not less than thirty days, the disease of—

(1) avitaminosis,
(2) beriberi (including beriberi heart disease),
(3) chronic dysentery,
(4) helminthiasis,
(5) malnutrition (including optic atrophy associated with malnutrition),
(6) pellagra,
(7) any other nutritional deficiency,
(8) psychosis,
(9) any of the anxiety states, **[**or**]**
(10) dysthymic disorder (or depressive neurosis),
(11) organic residuals of frostbite, if the Administrator determines that the veteran was interned in climatic conditions consistent with the occurrence of frostbite, or
(12) post-traumatic osteoarthritis,

which became manifest to a degree of 10 percent or more after active military, naval, or air service shall be considered to have been incurred in or aggravated by such service, notwithstanding that there is no record of such disease during the period of service.

* * * * * * *

§ 314. Rates of wartime disability compensation

For the purposes of section 310 of this title—

(a) if and while the disability is rated 10 percent the monthly compensation shall be **[**$68;**]** *$69;*
(b) if and while the disability is rated 20 percent the monthly compensation shall be **[**$126;**]** *$128;*
(c) if and while the disability is rated 30 percent the monthly compensation shall be **[**$191;**]** *$194;*
(d) if and while the disability is rated 40 percent the monthly compensation shall be **[**$274;**]** *$278;*
(e) if and while the disability is rated 50 percent the monthly compensation shall be **[**$388;**]** *$394;*
(f) if and while the disability is rated 60 percent the monthly compensation shall be **[**$489;**]** *$496;*
(g) if and while the disability is rated 70 percent the monthly compensation shall be **[**$617;**]** *$626;*

(h) if and while the disability is rated 80 percent the monthly compensation shall be [$713;] *$724;*

(i) if and while the disability is rated 90 percent the monthly compensation shall be [$803;] *$815;*

(j) if and while the disability is rated as total the monthly compensation shall be [$1,335;] *$1,355;*

(k) if the veteran, as the result of service-connected disability, has suffered the anatomical loss or loss of use of one or more creative organs, or one foot, or one hand, or both buttocks, or blindness of one eye, having only light perception, or has suffered complete organic aphonia with constant inability to communicate by speech, or deafness of both ears, having absence of air and bone conduction, the rate of compensation therefor shall be [$62] *$63* per month for each such loss or loss of use independent of any other compensation provided in subsections (a) through (j) or subsection (s) of this section but in no event to exceed [$1,659] *$1,684* per month; and in the event the veteran has suffered one or more of the disabilities heretofore specified in this subsection, in addition to the requirement for any of the rates specified in subsections (*l*) through (n) of this section, the rate of compensation shall be increased by [$62] *$63* per month for each such loss or loss of use, but in no event to exceed [$2,325] *$2,360* per month;

(l) if the veteran, as the result of service-connected disability, has suffered the anatomical loss or loss of use of both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly compensation shall be [$1,659;] *$1,684;*

(m) if the veteran, as the result of service-connected disability, has suffered the anatomical loss or loss of use of both hands, or of both legs at a level, or with complications, preventing natural knee action with prostheses in place, or of one arm and one leg at levels, or with complications, preventing natural elbow and knee action with prostheses in place, or has suffered blindness in both eyes having only light perception, or has suffered blindness in both eyes, rendering such veteran so helpless as to be in need of regular aid and attendance, the monthly compensation shall be [$1,829;] *$1,856;*

(n) if the veteran, as the result of service-connected disability, has suffered the anatomical loss or loss of use of both arms at levels, or with complications, preventing natural elbow action with prostheses in place, has suffered the anatomical loss of both legs so near the hip as to prevent the use of prosthetic appliances, or has suffered the anatomical loss of one arm and one leg so near the shoulder and hip as to prevent the use of prosthetic appliances, or has suffered the anatomical loss of both eyes, or has suffered blindness without light perception in both eyes, the monthly compensation shall be [$2,080;] *$2,111;*

(*o*) if the veteran, as the result of service-connected disability, has suffered disability under conditions which would entitle such veteran to two or more of the rates provided in one or more subsections (*l*) through (n) of this section, no condition

being considered twice in the determination, or if the veteran has suffered bilateral deafness (and the hearing impairment in either one or both ears is service connected) rated at 60 percent or more disabling and the veteran has also suffered service-connected total blindness with 5/200 visal acuity or less, or if the veteran has suffered service-connected total deafness in one ear or bilateral deafness (and the hearing impairment in either one or both ears is service connected) rated at 40 percent or more disabling and the veteran has also suffered service-connected blindness having only light perception or less, or if the veteran has suffered the anatomical loss of both arms so near the shoulder as to prevent the use of prosthetic appliances, the monthly compensation shall be [$2,325;] *$2,360;*

(p) in the event the veteran's service-connected disabilities exceed the requirements for any of the rates prescribed in this section, the Administrator may allow the next higher rate or an intermediate rate, but in no event in excess of [$2,325.] *$2,360.* In the event the veteran has suffered service-connected blindness with 5/200 visual acuity or less and (1) has also suffered bilateral deafness (and the hearing impairment in either one or both ears is service connected) rated at no less than 30 percent disabling, the Administrator shall allow the next higher rate, or (2) has also suffered service-connected total deafness in one ear or service-connected anatomical loss or loss of use of one hand or one foot, the Administrator shall allow the next intermediate rate, but in no event in excess of [$2,325.] *$2,360.* In the event the veteran has suffered service-connected blindness, having only light perception or less, and has also suffered bilateral deafness (and the hearing impairment in either one or both ears is service connected) rated at 10 or 20 percent disabling, the Administrator shall allow the next intermediate rate, but in no event in excess of [$2,325.] *$2,360.* In the event the veteran has suffered the anatomical loss or loss of use, or a combination of anatomical loss and loss of use, of three extremities, the Administrator shall allow the next higher rate or intermediate rate, but in no event in excess of [$2,325.] *$2,360.* Any intermediate rate under this subsection shall be established at the arithmetic mean, rounded down to the nearest dollar, between the two rates concerned;

[(q) Repealed, Pub. L. 90–493, § 4(a), Aug. 19, 1986]

(r) Subject to section 3203(e) of this title, if any veteran, otherwise entitled to compensation authorized under subsection (o) of this section, at the maximum rate authorized under subsection (p) of this section, or at the intermediate rate authorized between the rates authorized under subsections (n) and (o) of this section and at the rate authorized under subsection (k) of this section, is in need of regular aid and attendance, then, in addition to such compensation—

(1) the veteran shall be paid a monthly aid and attendance allowance at the rate of [$998;] *$1,013;* or

(2) if the veteran, in addition to such need for regular aid and attendance, is in need of a higher level of care, such veteran shall be paid a monthly aid and attendance allowance at the rate of [$1,487,] *$1,509,* in lieu of the al-

lowance authorized in clause (1) of this subsection, if the Administrator finds that the veteran, in the absence of the provision of such care, would require hospitalization, nursing home care, or other residential institutional care.

For the purposes of clause (2) of this subsection, need for a higher level of care shall be considered to be need for personal health-care services provided on a daily basis in the veteran's home by a person who is licensed to provide such services or who provides such services under the regular supervision of a licensed health-care professional. The existence of the need for such care shall be determined by a physician employed by the Veterans' Administration or, in areas where no such physician is available, by a physician carrying out such function under contract or fee arrangement based on an examination by such physician.

For the purposes of section 334 of this title, such allowance shall be considered as additional compensation payable for disability.

(s) If the veteran has a service-connected disability rated as total, and (1) has additional service-connected disability or disabilities independently ratable at 60 percent or more, or, (2) by reason of such veteran's service-connected disability or disabilities, is permanently housebound, then the monthly compensation shall be [$1,494.] *$1,516.* For the purposes of this subsection, the requirement of "permanently housebound" will be considered to have been met when the veteran is substantially confined to such veteran's house (ward or clinical areas, if institutionalized) or immediate premises due to a service-connected disability or disabilities which it is reasonably certain will remain throughout such veteran's lifetime.

[(t)(1) If the veteran (A) is entitled to receive compensation at any rate provided for under subsections (a) through (i) of this section and compensation under subsection (k) of this section, (B) has suffered the loss or loss of use of an extremity as a result of a service-connected disability ratable at 40 percent or more, and (C) has suffered the loss or loss of use of the paired extremity as a result of a non-service-connected disability, not the result of the veteran's own willful misconduct, that would be rated, if service-connected, at 40 percent or more, the monthly rate of compensation payable to such veteran shall be increased by $289.

[(2) If a veteran described in paragraph (1) of this subsection receives any money or property of value pursuant to an award in a judicial proceeding based upon, or a settlement or compromise of, any cause of action for damages for the non-service-connected disability described in such paragraph, the increase in the rate of compensation otherwise payable under this subsection shall not be paid for any month following a month in which any such money or property is received until such time as the total of the amount of such increase that would otherwise have been payable equals the total of the amount of any such money received and the fair market value of any such property received.]

§ 315. Additional compensation for dependents

Any veteran entitled to compensation at the rates provided in section 314 of this title, and whose disability is rated not less than 30 percent, shall be entitled to additional compensation for dependents in the following monthly amounts:

(1) If and while rated totally disabled and—

(A) has a spouse but no child, [$81;] *$82;*

(B) has a spouse and one or more children, [$136] *$138* plus [$43] *$44* for each child in excess of one;

(C) has no spouse but one or more children, [$56] *$57* plus [$43] *$44* for each child in excess of one;

(D) has a parent dependent upon such veteran for support, then, in addition to the above amounts, [$66] *$67* for each parent so dependent;

(E) notwithstanding the other provisions of this paragraph, the monthly payable amount on account of a spouse who is (i) a patient in a nursing home or (ii) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person, shall be [$147] *$149* for a totally disabled veteran and proportionate amounts for partially disabled veterans in accordance with paragraph (2) of this section; and

(F) notwithstanding the other provisions of this paragraph, the monthly amount payable on account of each child who has attained the age of eighteen years and who is pursuing a course of instruction at an approved educational institution shall be [$124] *$126* for a totally disabled veteran and proportionate amounts for partially disabled veterans in accordance with paragraph (2) of this section.

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Subchapter VI—General Compensation Provisions

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§ 360. Special consideration for certain cases of [blindness or bilateral kidney involvement or bilateral deafness] *loss of paired organs or extremities*

[Where any veteran (1) has suffered blindness in one eye as a result of service-connected disability and has suffered blindness in the other eye as a result of non-service-connected disability not the result of such veteran's own willful misconduct, or (2) has suffered the loss or loss of use of one kidney as a result of service-connected disability, and has suffered severe involvement of the other kidney such as to cause total disability, as a result of non-service-connected disability not the result of such veteran's own willful misconduct, or (3) has suffered total deafness in one ear as a result of service-connected disability and has suffered total deafness in the other ear as the result of non-service-connected disability not the result of such veteran's own willful misconduct, the Administrator shall assign and pay to the veteran concerned the applicable rate of compensation under this chapter as if such veteran's blindness

in both eyes or such bilateral kidney involvement or such total deafness in both ears were the result of service-connected disability.]

(a) Where a veteran has suffered—

(1) blindness in one eye as a result of service-connected disability and blindness in the other eye as a result of non-service-connected disability not the result of the veteran's own willful misconduct;

(2) the loss or loss of use of one kidney as a result of service-connected disability and involvement of the other kidney as a result of non-service-connected disability not the result of the veteran's own willful misconduct;

(3) total deafness in one ear as a result of service-connected disability and total deafness in the other ear as the result of non-service-connected disability not the result of the veteran's own willful misconduct;

(4) the loss or loss of use of one hand or one foot as a result of service-connected disability and the loss or loss of use of the other hand or foot as a result of non-service-connected disability not the result of the veteran's own willful misconduct; or

(5) permanent service-connected disability of one lung, rated 50 percent or more disabling, in combination with a non-service-connected disability of the other lung that is not the result of the veteran's own willful misconduct,

the Administrator shall assign and pay to the veteran the applicable rate of compensation under this chapter as if the combination of disabilities were the result of service-connected disability.

(b) If a veteran described in subsection (a) of this section receives any money or property of value pursuant to an award in a judicial proceeding based upon, or a settlement or compromise of, any cause of action for damages for the non-service-connected disability described in such subsection, the increase in the rate of compensation otherwise payable under this section shall not be paid for any month following a month in which any such money or property is received until such time as the total of the amount of such increase that would otherwise have been payable equals the total of the amount of any such money received and the fair market value of any such property received.

* * * * * * *

§ 362. Clothing allowance

The Administrator under regulations which the Administrator shall prescribe, shall pay a clothing allowance of [$360] *$365* per year to each veteran who because of disability which is compensable under the provisions of this chapter, wears or uses prosthetic or orthopedic appliance or appliances (including a wheelchair) which the Administrator determines tends to wear out or tear the clothing of such a veteran.

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CHAPTER 13—DEPENDENCY AND INDEMNITY COMPENSATION FOR SERVICE-CONNECTED DEATHS

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Subchapter II—Dependency and Indemnity Compensation

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§ 411. Dependency and indemnity compensation to a surviving spouse

(a) Dependency and indemnity compensation shall be paid to a surviving spouse, based on the pay grade of the person upon whose death entitlement is predicated, at monthly rates set forth in the following table:

[

Pay grade	Monthly rate	Pay grade	Monthly rate
E-1	$491	W-4	$703
E-2	505	O-1	621
E-3	518	O-2	640
E-4	552	O-3	686
E-5	566	O-4	725
E-6	578	O-5	799
E-7	607	O-6	900
E-8	640	O-7	973
E-9	[1] 669	O-8	1,067
W-1	621	O-9	1,145
W-2	645	O-10	[2] 1,255
W-3	664		

]

Pay grade	*Monthly rate*	*Pay grade*	*Monthly rate*
E-1	*$498*	*W-4*	*$714*
E-2	*513*	*O-1*	*630*
E-3	*526*	*O-2*	*650*
E-4	*560*	*O-3*	*696*
E-5	*574*	*O-4*	*736*
E-6	*587*	*O-5*	*811*
E-7	*616*	*O-6*	*914*
E-8	*650*	*O-7*	*988*
E-9	[1] *679*	*O-8*	*1,083*
W-1	*630*	*O-9*	*1,162*
W-2	*655*	*O-10*	[2] *1,274*
W-3	*674*		

[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be [$722.] *$733.*

[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be [$1,345.] *$1,365.*

(b) If there is a surviving spouse with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the surviving spouse shall be increased by [$57] *$58* for each such child.

(c) The monthly rate of dependency and indemnity compensation payable to a surviving spouse shall be increased by [$147] *$149* if the spouse is (1) a patient in a nursing home or (2) helpless or

blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.

(d) The monthly rate of dependency and indemnity compensation payable to a surviving spouse shall be increased by [$72] *$73* if the surviving spouse is, by reason of disability, permanently housebound but does not qualify for the aid and attendance allowance under subsection (c) of this section. For the purposes of this subsection, the requirement of "permanently housebound" will be considered to have been met when the surviving spouse is substantially confined to such surviving spouse's home (ward or clinical areas, if institutionalized) or immediate premises by reason of a disability or disabilities which it is reasonably certain will remain throughout such surviving spouse's lifetime.

* * * * * * *

§ 413. Dependency and indemnity compensation to children

(a) Whenever there is no surviving spouse of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

(1) one child, [$247;] *$251;*

(2) two children, [$356;] *$361;*

(3) three children, [$460;] *$467;* and

(4) more than three children, [$460,] *$467,* plus [$93] *$94* for each child in excess of three.

* * * * * * *

§ 414. Supplemental dependency and indemnity compensation to children

(a) In the case of a child entitled to dependency and indemnity compensation who has attained the age of eighteen and who, while under such age, became permanently incapable of self-support, the dependency and indemnity compensation paid monthly to such child shall be increased by [$147.] *$149.*

(b) If dependency and indemnity compensation is payable monthly to a person as a surviving spouse and there is a child (of such person's deceased spouse) who has attained the age of eighteen and who, while under such age, became permanently incapable of self-support, dependency and indemnity compensation shall be paid monthly to each such child, concurrently with the payment of dependency and indemnity compensation to the surviving spouse, in the amount of [$247.] *$251.*

(c) If dependency and indemnity compensation is payable monthly to a person as a surviving spouse and there is a child (of such person's deceased spouse), who has attained the age of eighteen and who, while under the age of twenty-three, is pursuing a course of instruction at an educational institution approved under section 104 of this title, dependency and indemnity compensation shall be paid monthly to each such child, concurrently with the payment of dependency and indemnity compensation to the surviving spouse, in the amount of [$126.] *$128.*

CHAPTER 17—HOSPITAL, NURSING HOME, DOMICILIARY, AND MEDICAL CARE

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SUBCHAPTER II—HOSPITAL, NURSING HOME OR DOMICILIARY CARE AND MEDICAL TREATMENT

610. Eligibility for hospital, nursing home, and domiciliary care.
611. Care during examinations and in emergencies.
612. Eligibility for medical treatment.
612A. Eligibility for readjustment counseling and related mental health services.
612B. Counseling for former prisoners of war.
613. Medical care for survivors and dependents of certain veterans.
614. Fitting and training in use of prosthetic appliances; seeing-eye dogs.
615. Tobacco for hospitalized veterans.
616. Hospital care by other agencies of the United States.
617. Invalid lifts and other devices.
618. Therapeutic and rehabilitative activities.
619. Repair or replacement of certain prosthetic and other appliances.
620. Transfers for nursing home care; adult day health care.
620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities.
620B. Respite care.

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Subchapter I—General

§ 601. Definitions

For the purposes of this chapter—

* * * * * * *

(6) The term "medical services" includes, in addition to medical examination, treatment, and rehabilitative services—

(A)(i) surgical services, dental services and appliances as described in sections 610 and 612 of this title, optometric and podiatric services (in the case of a person otherwise receiving care or services under this chapter), preventive health-care services as defined in section 662 of this title, and (except under the conditions described in section 612(f)(1)(A)(i) of this title), wheelchairs, artificial limbs, trusses, and similar appliances, special clothing made necessary by the wearing of prosthetic appliances, and such other supplies or services as the Administrator determines to be reasonable and necessary, and (ii) travel and incidental expenses pursuant to the provisions of section 111 of this title; and

(B)*(i)* such consultation, professional counseling, training, and mental health services as are necessary in connection with the treatment—

[(i)**]***(I)* of the service-connected disability of a veteran pursuant to section 612(a) of this title, and

[(ii)**]***(II)* in the discretion of the Administrator, of the nonservice-connected disability of a veteran eligible for treatment under section 612(f)(1)(A)(ii) of this title where such services were initiated during the veteran's hospitalization and the provision of such services on an outpatient basis is essential to permit the discharge of the veteran from the hospital,

for the members of the immediate family or legal guardian of a veteran, or the individual in whose household such veteran certifies an intention to live, as may be essential to the effective treatment and rehabilitation of the veteran (including, under the terms and conditions set forth in section 111 of this title, travel and incidental expenses of such family member or individual in the case of a veteran who is receiving care for a service-connected disability, or in the case of *a* dependent or survivor of a veteran receiving care under the last sentence of section 613(b) of this [title). For the purposes of this paragraph, a dependent or survivor of a veteran receiving care under the last sentence of section 613(b) of this title shall be eligible for the same medical services as a veteran.] *title); and*

(ii) in the case of an individual who was a recipient of services under subclause (i) of this clause of the time of—

(I) the unexpected death of the veteran; or

(II) the death of the veteran while the veteran was participating in a hospice program (or a similar program) conducted by the Administrator,

such counseling services, for a limited period, as the Administrator determines to be reasonable and necessary to assist such individual with the emotional and psychological stress accompanying the veteran's death.

For the purposes of this paragraph, a dependent or survivor of a veteran receiving care under the last sentence of section 613(b) of this title shall be eligible for the same medical services as a veteran.

* * * * * * *

Subchapter II—Hospital, Nursing Home or Domiciliary Care and Medical Treatment

§ 610. Eligibility for hospital, nursing home, and domiciliary care

(a)(1) the Administrator shall furnish hospital care, and may furnish nursing home care, which the Administrator determines is needed—

(A) to any veteran for a service-connected disability;

(B) to a veteran whose discharge or release from the active military, naval, or air service was for a disability incurred or aggravated in line of duty, for any disability;

(C) to a veteran *who is in receipt of, or* who, but for a suspension pursuant to section 851 of this title (or both such a suspension and the receipt of retired pay), would be entitled to disability compensation, but only to the extent that such veteran's continuing eligibility for such care is provided for in the judgment or settlement described in such section, for any disability;

(D) to a veteran who has a service-connected disability rated at 50 percent or more, for any disability;

(E) to any other veteran who has a service-connected disability, for any disability;

(F) to a veteran who is a former prisoner of war, for any disability;

(G) to a veteran exposed to a toxic substance or radiation, as provided in subsection (e) of this section;

(H) to a veteran of the Spanish-American War, the Mexican border period, or World War I, for any disability; and

(I) to a veteran for a non-service-connected disability, if the veteran is unable to defray the expenses of necessary care as determined under section 622(a)(1) of this title.

* * * * * * *

(f)(1) * * *

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(3)(A) * * *

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(F) A veteran may not be required to make a payment under this subsection or section 612(f) of this title for any days of care in excess of 360 days of care during any 365-calendar-day period.

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§ 612. Eligibility for medical treatment

(a)(1) * * *

* * * * * * *

(2) **[**As**]** *Subject to subsection (k) of this section, as* part of medical services furnished to a veteran under paragraph (1) of this subsection, the Administrator may furnish to the veteran such home health services as the Administrator finds to be necessary or appropriate for the effective and economical treatment of such disability (including only such improvements and structural alterations the cost of which does not exceed $2,500 (or reimbursement up to such amount) as are necessary to assure the continuation of treatment for such disability or to provide access to the home or to essential lavatory and sanitary facilities).

* * * * * * *

(b)(1) * * *

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(4) **[**In**]** *(A) Except as provided in subparagraph (B) of this paragraph, in* any year in which the President's Budget for the fiscal year beginning October 1 of such year includes an amount for expenditures for contract dental care under the provisions of subsections (a) and (f) of this section and section 603 of this title during such fiscal year in excess of the level of expenditures made for such purpose during fiscal year 1978, the Administrator shall, not later than February 15 of such year, submit a report to the appropriate committees of the Congress justifying the requested level of expenditures for contract dental care and explaining why the application of the criteria prescribed in section 603 of this title for contracting with private facilities and in the second sentence of section 610(c) of this title for furnishing incidental dental care to hospitalized veterans will not preclude the need for expenditures for contract dental care in excess of the fiscal year 1978 level of expenditures for such purpose. In any case in which the amount included

in the President's Budget for any fiscal year for expenditures for contract dental care under such provisions is not in excess of the level of expenditures made for such purpose during fiscal year 1978 and the Administrator determines after the date of submission of such budget and before the end of such fiscal year that the level of expenditures for such contract dental care during such fiscal year will exceed the fiscal year 1978 level of expenditures, the Administrator shall submit a report to the appropriate committees of the Congress containing both a justification (with respect to the projected level of expenditures for such fiscal year) and an explanation as required in the preceding sentence in the case of a report submitted pursuant to such sentence. Any report submitted pursuant to this paragraph shall include a comment by the Administrator on the effect of the application of the criteria presecribed in the second sentence of section 610(c) of this title for furnishing incidential dental care to hospitalized veterans.

(B) A report under subparagraph (A) of this paragraph with respect to a fiscal year is not required if, in the documents submitted by the Administrator to the Congress in justification for the amounts included for Veterans' Administration programs in the President's Budget, the Administrator specifies with respect to contract dental care described in such subparagraph—

(i) the actual level of expenditures for such care in the fiscal year preceding the fiscal year in which such Budget is submitted;

(ii) a current estimate of the level of expenditures for such care in the fiscal year in which such Budget is submitted; and

(iii) the amount included in such Budget for such care.

* * * * * * *

(f)(1) * * *

* * * * * * *

(2) [As] *Subject to subsection (k) of this section, as* part of medical services furnished to a veteran under paragraph (1) of this subsection, the Administrator may furnish to the veteran such home health services as the Administrator determines to be necessary or appropriate for the effective and economical treatment of a disability of a veteran (including only such improvements and structural alterations the cost of which does not exceed $600 (or reimbursement up to such amount) as are necessary to assure the continuation of treatment or provide access to the home or to essential lavatory and sanitary facilities).

* * * * * * *

(4)(A) * * *

* * * * * * *

(D) A veteran may not be required to make a payment under this subsection if such payment would result in the veteran paying, under this subsection and section 610(f) of this title, a total amount greater than four times the amount of the inpatient Medicare deductible for care of services, or any combination thereof, furnished under this chapter during any 365 calendar-day period.

[(D)] *(E)* This subsection does not apply with respect to home health services under this subsection to the extent that such services are for improvements and structural alterations.

[(E)] *(F)* For the purposes of this paragraph, the term "inpatient Medicare deductible" means the amount of the inpatient hospital deductible in effect under section 1813(b) of the Social Security Act (42 U.S.C. 1395e(b)).

[(F)] *(G)* Amounts collected or received by the Veterans' Administration under this paragraph shall be deposited in the Treasury as miscellaneous receipts.

* * * * * * *

(k) The Administrator may furnish home health services to a veteran in any setting in which the veteran is residing. The Administrator may not furnish such services in such a manner as to relieve any other person on entity of a contractual obligation to furnish services to the veteran. When the home health services are furnished in a setting other than the veteran's home, such services may not include any structural improvement or alteration.

§ 612A. Eligibility for readjustment counseling and related mental health services

(a) * * *

* * * * * * *

(g)(1) During the [twelve-month] *24-month* period ending on September 30, [1988,] *1989,* the Administrator shall take appropriate steps to ensure—

(A) the [orderly transition,] *orderly, gradual transition* by October 1, [1988,] *1989,* of that part of the program established under this section for the provision of readjustment counseling services by Veterans' Administration personnel from a program providing such services primarily through centers located in facilities situated apart from the health-care facilities operated by the Veterans' Administration for the provision of other health-care services under other provisions of this chapter to a program providing readjustment counseling services primarily through such health-care facilities; and

(B) the continued availability after such date of readjustment counseling and related mental health services under this section to veterans eligible for the provision of such counseling and services who request such counseling.

(2)(A) Not later than April 1, 1987, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the Administrator's evaluation of the effectiveness in helping to meet the readjustment needs of veterans who served on active duty during the Vietnam era of the readjustment counseling and mental health services provided pursuant to this section (and of outreach efforts with respect to such counseling and services). Such report shall give particular attention, in light of the results of the study required by section 102 of the Veterans' Health Care Amendments of 1983 *(Public Law 98–160) (or, if the study is not then completed, whatever information from it is then available),* to the provision of such counseling and

services to veterans with post-traumatic stress disorder and to the diagnosis and treatment of such disorder.

* * * * * * *

(3) Not later than July 1, 1987, the Administrator shall submit to such committees a report containing a description of the plans made and timetable for carrying out paragraph (1) of this subsection. *Such report shall be prepared taking into consideration the results of the study referred to in paragraph (2)(A) of this subsection (or, if the study is not then completed, whatever information from it is then available).*

(4) Not later than February 1, 1989, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the experience under as much of the transition as was carried out pursuant to paragraph (1) of this subsection before September 30, 1988, including such recommendations for legislative and administrative action as the Administrator considers appropriate in light of such experience.

* * * * * * *

§ 618. Therapeutic and rehabilitative activities

(a) In providing rehabilitative services under this chapter, the Administrator, upon the recommendation of the Chief Medical Director, may [utilize] *use* the services of patients and members in Veterans' Administration health care facilities for therapeutic and rehabilitative [purposes, at nominal remuneration, and such] *purposes. Such* patients and members shall not under these circumstances be held or considered as employees of the United States for any purpose. The Administrator shall prescribe the conditions for the [utilization] *use* of such services.

(b)(1) In furnishing rehabilitative services under this chapter, the Administrator, upon the recommendation of the Chief Medical Director, may enter into contractual arrangements with private industry or other sources outside the Veterans' Administration to provide for therapeutic work [for remuneration] for patients and members in Veterans' Administration health care facilities.

* * * * * * *

(c)(1) * * *

* * * * * * *

(2) All funds received by the Veterans' Administration under contractual arrangements made under subsection (b) of this section, or by nonprofit entities described in paragraph (2) of such subsection, shall be deposited in or credited to the fund, and the Administrator shall [pay] *distribute* out of the fund moneys to participants at rates not less than the wage rates specified in the Fair Labor Standards Act (29 U.S.C. 201 et seq.) and regulations prescribed thereunder for work of similar character.

(3) The Chief Medical Director shall prepare, for inclusion in the annual report submitted to Congress under section 214 of this title, a description of the scope and achievements of activities carried out under this section (including pertinent data regarding productivity [and wage rates)] *rates of distribution*) during the prior twelve

months and an estimate of the needs of the program of therapeutic and rehabilitation activities to be carried out under this section for the ensuing fiscal year.

* * * * * * *

(f)*(1)* Neither a veteran's participation in an activity carried out under this section nor a veteran's receipt of [remuneration] *a distribution* as a result of such participation may be considered as a basis for the denial or discontinuance of a rating of total disability for purposes of compensation or pension based on the veteran's inability to secure or follow a substantially gainful occupation as a result of disability.

(2) A distribution of funds made under this section shall be considered for purposes of chapter 15 of this title to be a donation from a public or private relief or welfare organization.

* * * * * * *

§ 620B. Respite care

(a) The Administrator may furnish respite care services to a veteran who is eligible to receive care under section 610 of this title.

(b) For the purpose of this section, the term "respite care" means hospital or nursing home care which—

(1) is of limited duration;

(2) is furnished in a Veterans' Administration facility on an intermittent basis to a veteran who is suffering from a chronic illness and who resides primarily at home; and

(3) is furnished for the purpose of helping the veteran to continue residing primarily at home.

(c) The authority provided by this section terminates on September 30, 1989.

* * * * * * *

Subchapter IV—Hospital Care and Medical Treatment for Veterans in the Republic of the Philippines

* * * * * * *

§ 632. Contracts and grants to provide for the care and treatment of United States veterans by the Veterans Memorial Medical Center

(a) The President, with the concurrence of the Republic of the Philippines, may authorize the Administrator to enter into contracts with the Veterans Memorial Medical Center, with the approval of the appropriate department of the Government of the Republic of the Philippines, covering the period beginning on October 1, 1981, and ending on September 30, [1986,] *1989,* under which the United States—

(1) will provide for payments for hospital care and medical services (including nursing home care) in the Veterans Memorial Medical Center, as authorized by section 624 of this title and on the terms and conditions set forth in such section, to eligible United States veterans at a per diem rate to be jointly

determined for each fiscal year by the two Governments to be fair and reasonable; and

(2) may provide that payments for such hospital care and medical services provided to eligible United States veterans may consist in whole or in part of available medicines, medical supplies, and equipment furnished by the Administrator to the Veterans Memorial Medical Center at valuations therefor as determined by the Administrator, who may furnish such medicines, medical supplies, and equipment through the revolving supply fund pursuant to section 5021 of this title.

(b)(1) To further assure the effective care and treatment of United States veterans in the Veterans Memorial Medical Center, there is authorized to be appropriated for each fiscal year during the period beginning on October 1, 1981, and ending on September 30, [1986,] *1989,* the sum of $500,000 to be used by the Administrator for making grants to the Veterans Memorial Medical Center for the purpose of assisting the Republic of the Philippines in the replacement and upgrading of equipment and in rehabilitating the physical plant and facilities of such center.

* * * * * * *

CHAPTER 21—SPECIALLY ADAPTED HOUSING FOR DISABLED VETERANS

* * * * * * *

§ 801. Veterans eligible for assistance

(a) * * *

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(b)(1) Subject to paragraph (2) of this subsection, the Administrator, under regulations which the Administrator shall prescribe, shall assist any veteran (other than a veteran who is eligible for assistance under subsection (a) of this section) who is entitled to compensation under chapter 11 of this title for a permanent and total service-connected disability which—

(A) is due to blindness in both eyes with 5/200 visual acuity or less, or

(B) includes the anatomatical loss or loss of use of both hands,

in acquiring such adaptations to such veteran's residence as are determined by the Administrator to be reasonably necessary because of such [disability.] *disability or in acquiring a residence already adapted with special features determined by the Administrator to be reasonably necessary for the veteran because of such disability.*

* * * * * * *

§ 802. Limitations on assistance furnished

(a) * * *

* * * * * * *

(b) Except as provided in section 804(b) of this title, the assistance authorized by section 801(b) of this title shall be limited to the lesser of—

(1) the actual [cost] *cost, or, in the case of a veteran acquiring a residence already adapted with special features, the fair market value,* of the adaptations determined by the Administrator under such section 801(b) to be reasonably necessary, or

(2) $6,000.

* * * * * * *

CHAPTER 24—NATIONAL CEMETERIES AND MEMORIALS

Sec.

1000. Establishment of National Cemetary System; composition of such system; appointment of director.
1001. Advisory Committee on Cemeteries and Memorials.
1002. Persons eligible for interment in national cemeteries.
1003. Memorial areas.
1004. Administration.
1005. Disposition of inactive cemeteries.
1006. Acquisition of lands.
1007. Authority to accept and maintain suitable memorials.
1008. Aid to States for establishment, expansion, and improvement of veterans' cemeteries.
1009. Memorial areas in Arlington National Cemetery.

* * * * * * *

§ 1004. Administration

(a) * * *

* * * * * * *

(c) [Each] *(1) Subject to paragraph (2), each* grave in a national cemetery shall be marked with an appropriate marker. Such marker shall bear the name of the person buried, the number of the grave, and such other information as the Administrator shall by regulation prescribe.

(2) The grave markers referred to in paragraph (1) shall be upright for interments that occur on or after January 1, 1987, except that—

(A) in the case of any cemetery scheduled to be closed by September 30, 1991, as indicated in the documents submitted by the Administrator to the Congress in justification for the amounts included for Veterans' Administration programs in the President's Budget for fiscal year 1987, the Administrator may provide for flat grave markers; and

(B) in the case of any cemetery with a section which has flat markers on the date of the enactment of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986, the Administrator may continue to provide for flat grave markers in such section.

* * * * * * *

§ 1009. Memorial areas in Arlington National Cemetery

(a) The Secretary of the Army may set aside, when available, a suitable area or areas in Arlington National Cemetery, Virginia, to honor the memory of members of the Armed Forces and veterans—

(1) who are missing in action;

(2) whose remains have not been recovered or identified;

(3) whose remains were buried at sea, whether by the member's or veteran's own choice or otherwise;

(4) whose remains were donated to science; or

(5) whose remains were cremated and whose ashes were scattered without interment of any portion of the ashes.

(b) Under regulations prescribed by the Secretary, appropriate memorials or markers may be erected in Arlington National Cemetery to honor the memory of those individuals, or group of individuals, referred to in subsection (a) of this section.

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PART III—READJUSTMENT AND RELATED BENEFITS

* * * * * * *

CHAPTER 30—ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE PROGRAM

* * * * * * *

SUBCHAPTER IV—TIME LIMITATION FOR USE OF ELIGIBILITY AND ENTITLEMENT; GENERAL AND ADMINISTRATIVE PROVISIONS

1431. Time limitation for use of eligibility and entitlement.
1432. [Limitation] *Limitations* on educational assistance for certain individuals.
1433. Bar to duplication of educational assistance benefits.
1434. Program administration.
1435. Allocation of administration and of program costs.
1436. Reporting requirement.

Subchapter I—Purposes; Definitions

* * * * * * *

§ 1402. Definitions

For the purposes of this chapter—

* * * * * * *

[(3) The term "program of education" has the meaning given such term in section 1652(b) of this title.]

(3) The term "program of education"—

(A) has the meaning given such term in section 1652(b) of this title, and

(B) includes a full-time program of apprenticeship or of other on-job training approved as provided in clause (1) or (2), as appropriate, of section 1787(a) of this title.

* * * * * * *

Subchapter II—Basic Educational Assistance

§ 1411. Basic educational assistance entitlement for service on active duty

(a) Except as provided in subsection (c) of this section each individual—

(1) who—

(A) during the period beginning on July 1, 1985, and ending on June 30, 1988, first becomes a member of the Armed Forces or first enters on active duty as a member of the Armed Forces and—

(i) who (I) serves at least three years of continuous active duty in the Armed Forces, or (II) in the case of an individual whose initial period of active duty is less than three years, serves at least two years of continuous active duty in the Armed Forces; or

(ii) who serves in the Armed Forces and is discharged or released from active duty (I) for a service-connected disability or for hardship, or (II) for the convenience of the Government, in the case of an individual who completed not less than 20 months of *continuous* active duty, if the initial obligated period of active duty of the individual was less than three years, or in the case of an individual who completed not less than 30 months of *continuous* active duty if the initial obligated period of active duty of the individual was at least three years; or

(B) as of December 31, 1989, is eligible for educational assistance benefits under chapter 34 of this title *and was on active duty on October 19, 1984, and without a break in service since October 19, 1984,* and—

(i) after June 30, 1985, serves at least three years of continuous active duty in the Armed Forces; or

(ii) after June 30, 1985, is discharged or released from active duty (I) for a service-connected disability or for hardship, or (II) for the convenience of the Government, if the individual completed not less than 30 months of *continuous* active duty after that date;

(2) who, before completion of the service described in clause (1) of this subsection, has received a secondary school diploma (or an equivalency certificate); and

(3) who, after completion of the service described in clause (1) of this subsection—

(A) is discharged from service with an honorable discharge, is placed on the retired list, is transferred to the Fleet Reserve or Fleet Marine Corps Reserve, or is placed on the temporary disability retired list;

(B) continues on active duty; or

(C) is released from active duty for further service in a reserve component of the Armed Forces after service on active duty characterized by the Secretary concerned as honorable service;

is entitled to basic educational assistance under this chapter.

(b) The basic pay of any individual described in subsection (a)(1)(A) of this section who does not make an election under subsection (c)(1) of this section shall be reduced by $100 for each of the first 12 months that such individual is entitled to such pay. [Amounts withheld from basic pay under this subsection shall revert to the Treasury.] *Any amount by which the basic pay of an individual is reduced under this subsection shall revert to the Treasury and shall not, for purposes of any Federal law, be considered to have been received by or to be within the control of such individual.*

* * * * * * *

§ 1412. Basic educational assistance entitlement for service in the Selected Reserve

(a) Except as provided in subsection [(c)] *(d)* of this section, each individual—

(1) who—

(A) during the period beginning on July 1, 1985, and ending on June 30, 1988, first becomes a member of the Armed Forces or first enters on active duty as a member of the Armed Forces and—

(i) serves at least two years of continuous active duty in the Armed Forces characterized by the Secretary concerned as honorable service; and

(ii) subject to subsection (b) of this section and after completion of the service on active duty described in subclause (i) of this clause, serves at least four years of continuous duty in the Selected Reserve during which the individual participates satisfactorily in training as required by the Secretary concerned; or

(B) as of December 31, 1989, is eligible for educational assistance under chapter 34 of this title *and was on active duty on October 19, 1984, and without a break in service since October 19, 1984,* and—

(i) after June 30, 1985, serves at least two years of continuous active duty in the Armed Forces characterized by the Secretary concerned as honorable service; and

(ii) after June 30, 1985, subject to subsection (b) of this section and after completion of such two years of service, serves at least four continuous years in the Selected Reserve during which the individual participates satisfactorily in training as prescribed by the Secretary concerned;

(2) who, before completion of the service described in clause (1) of this subsection, has received a secondary school diploma (or an equivalency certificate); and

(3) who, after completion of the service described in clause (1) of this subsection—

(A) is discharged from service with an honorable discharge, is placed on the retired list, or is transferred to the Standby Reserve or an element of the Ready Reserve other than the Selected Reserve after service in the Selected Re-

serve characterized by the Secretary concerned as honorable service; or

(B) continues on active duty or in the Selected Reserve;

is entitled to basic educational assistance under this chapter.

(b)(1) The requirement of four years of service under clauses (1)(A)(ii) and (1)(B)(ii) of subsection (a) of this section is not applicable to an individual who is discharged or released from service in the Selected Reserve for a service-connected disability, for hardship, or (in the case of an individual discharged or released after three and one-half years of *such* service) for the convenience of the Government.

* * * * * * *

(c) The basic pay of any individual described in subsection (a)(1)(A) of this section who does not make an election under subsection (d)(1) of this section shall be reduced by $100 for each of the first 12 months that such individual is entitled to such pay. [Amounts withheld for basic pay under this paragraph shall revert to the Treasury.] *Any amount by which the basic pay of an individual is reduced under this subsection shall revert to the Treasury and shall not, for purposes of any Federal law, be considered to have been received by or to be within the control of such individual.*

* * * * * * *

§ 1413. Duration of basic educational assistance

(a)(1) * * *

* * * * * * *

(2) In the case of an individual described in section 1411(a)(1)(A)(ii)(I) of this title who is not also described in section 1411(a)(1)(A)(i) of this title or an individual described in section 1411(a)(1)(B)(ii)(I) of this title who is not also described in section 1411(a)(1)(B)(i) of this title, the individual is entitled to one month of educational assistance benefits under this chapter for each month of active duty served by such [individual.] *individual after the date of the beginning of the period for which the individual's basic pay is reduced under section 1411(b) of this title, in the case of an individual described in section 1411(a)(1)(A)(ii)(I) of this title, or after June 30, 1985, in the case of an individual described in section 1411(a)(1)(B)(ii)(I) of this title.*

(b) Subject to section 1795 of this title and subsection (c) of this section, each individual entitled to basic educational assistance under section 1412 of this title is entitled to (1) one month of educational assistance benefits under this chapter for each month of active duty served by such individual *after the date of the beginning of the period for which such individual's basic pay is reduced under section 1412(c) of this title, in the case of an individual described in section 1412(a)(1)(A), or after June 30, 1985, in the case of an individual described in section 1412(a)(1)(B) of this title*, and (2) one month of educational assistance benefits under this chapter for each four months served by such individual in the Selected Reserve *after the applicable date specified in clause (1) of this subsection*

(other than any month in which the individual served on active duty.)

* * * * * * *

§ 1416. Inservice enrollment in a program of education

[A member of the Armed Forces who has completed at least two years of service on active duty after June 30, 1985, has continued on active duty or in the Selected Reserve without a break in service (except as described in section 1412(b)(2) of this title), and who but for section 1411(a)(1) or 1412(a)(1) of this title would be eligible for basic educational assistance may receive educational assistance under this chapter for enrollment in an approved program of education while continuing to perform the duty described in section 1411(a)(1) or 1412(a)(1) of this title.]

(a) A member of the Armed Forces who—

(1) first becomes a member or first enters on active duty as a member of the Armed Forces after June 30, 1985, and does not make an election under section 1411(c)(1) or section 1412(d)(1);

(2) completes at least two years of service on active duty after such date;

(3) after such service, continues on active duty or in the Selected Reserve without a break in service (except as described in section 1412(b)(2) of this title); and

(4) but for section 1411(a)(1)(A)(i)(I) or 1412(a)(1)(A)(ii) of this title would be eligible for basic educational assistance,

may receive educational assistance under this chapter for enrollment in an approved program of education while continuing to perform the duty described in section 1411(a)(1)(A)(i)(I) or 1412(a)(1)(A)(ii) of this title.

(b) A member of the Armed Forces who—

(1) as of December 31, 1989, is eligible for educational assistance benefits under chapter 34 of this title;

(2) after June 30, 1985, has served the two years required by section 1412(a)(1)(B)(i); and

(3) but for section 1412(a)(1)(B)(ii) of this title would be eligible for basic educational assistance,

may, after December 31, 1989, receive educational assistance under this chapter for enrollment in an approved program of education while continuing to perform the duty described in section 1412(a)(1)(B)(ii) of this title.

Subchapter III—Supplemental Educational Assistance

§ 1421. Supplemental educational assistance for additional service

(a) The Secretary concerned, pursuant to regulations to be prescribed by the Secretary, may provide for the payment of supplemental educational assistance under this subchapter to any individual eligible for basic educational assistance under section 1411 of this title who—

(1) serves five or more consecutive years of active duty in the Armed Forces [in addition to] *after* the years of active duty

counted under section 1411(a)(1) of this title without a break in such service; and

(2) after completion of the service described in clause (1) of this subsection—

(A) is discharged from service with an honorable discharge, is placed on the retired list, is transferred to the Fleet Reserve or Fleet Marine Corps Reserve, or is placed on the temporary disability retired list;

(B) continues on active duty without a break in service; or

(C) is released from active duty for further service in a reserve component of the Armed Forces after service on active duty characterized by the Secretary concerned as honorable service.

(b) The Secretary concerned, pursuant to regulations to be prescribed by the Secretary may provide for the payment of supplemental educational assistance under this subchapter to any individual eligible for basic educational assistance under section 1412 of this title who—

(1) serves two or more consecutive years of active duty in the Armed Forces [in addition to] *after* the years of active duty counted under section 1412(a)(1) of this title and four or more consecutive years of duty in the Selected Reserve [in addition to] *after* the years of duty in the Selected Reserve counted under such section without a break in service; and

(2) after completion of the service described in clause (1) of this subsection—

(A) is discharged from service with an honorable discharge, is placed on the retired list, is transferred to the Fleet Reserve or Fleet Marine Corps Reserve, or is placed on the temporary disability retired list; or

(B) continues on active duty or in the Selected Reserve.

(c) Continuity of service of a member in the Selected Reserve for purposes of subsection (b)(1) of this section shall not be considered to be broken—

(1) by any period of time (not to exceed a maximum period prescribed by the Secretary concerned by regulation) during which the member is not able to locate a unit of the Selected Reserve of [his] *the member's* Armed Force that the member is eligible to join or that has a vacancy; or

(2) by any other period of time (not to exceed a maximum period prescribed by the Secretary concerned by regulation) during which the member is not attached to a unit of the Selected Reserve that the Secretary concerned, pursuant to regulations, considers to be inappropriate to consider for such purpose.

* * * * * * *

Subchapter IV—Time Limitation for Use of Eligibility and Entitlement; General and Administrative Provisions

§ 1431. Time limitation for use of eligibility and entitlement

(a) Except as provided in subsections (b) through [(d)] *(e)* of this section, the period during which an individual entitled to educational assistance under this chapter may use such individual's entitlement expires at the end of the 10-year period beginning on (1) the date of such individual's last discharge or release from active duty, or (2) the last day on which such individual becomes entitled to such assistance, whichever is later.

(b) In the case of any eligible individual who has been prevented, as determined by the Administrator, from pursuing a program of education under [subchapter II or III of] this chapter within the 10-year period prescribed by subsection (a) of this section because such individual had not met the nature of discharge requirement of [such subchapter] *this chapter* before [(1)] the nature of such individual's discharge or release was changed by appropriate authority, [or (2) with respect to educational assistance under subchapter II of this chapter, the Administrator determined, under regulations prescribed by the Administrator, that such discharge or release was under conditions described in section 141[1](a)(3) or 1412(a)(3) of this title,] such 10-year period shall not run during the period of time that such individual was so prevented from pursuing such program of education.

* * * * * * *

(e) In the case of an individual described in section 1411(a)(1)(B) or 1412(a)(1)(B) of this title who is entitled to basic educational assistance under this chapter, the 10-year period prescribed in subsection (a) of this section shall be reduced by an amount of time equal to the amount of time that such individual was not serving on active duty during the period beginning on January 1, 1977, and ending on October 18, 1984.

[(e)]*(f)*(1) If an individual eligible for educational assistance under this chapter is enrolled under this chapter in an educational institution regularly operated on the quarter or semester system and the period of such individual's entitlement under this chapter would, under this section, expire during a quarter or semester, such period shall be extended to the end of such quarter or semester.

(2) If an individual eligible for educational assistance under this chapter is enrolled under this chapter in an educational institution *not* regularly operated on the quarter or semester system and the period of such individual's entitlement under this chapter would, under this section, expire after a major portion of the course is completed, such period shall be extended to the end of the course or for 12 weeks, whichever is the lesser period of extension.

§ 1432. [Limitation] *Limitations* on educational assistance for certain individuals

(a) * * *

* * * * * * *

(c)(1) Except as provided in paragraph (2) of this subsection, the amount of the monthly educational assistance allowance payable to an individual pursuing a full-time program of apprenticeship or other on-job training under this chapter is—

(A) for each of the first six months of the individual's pursuit of such program, 75 percent of the monthly educational assistance allowance otherwise payable to such individual under this chapter;

(B) for each of the second six months of the individual's pursuit of such program, 55 percent of such monthly educational assistance allowance; and

(C) for each of the months following the first 12 months of the individual's pursuit of such program, 35 percent of such monthly educational assistance allowance.

(2) In any month in which an individual pursuing a program of education consisting of a program of apprenticeship or other on-job training fails to complete 120 hours of training, the amount of monthly educational assistance allowance payable under this chapter to the individual shall be limited to the same proportion of the applicable rate determined under paragraph (1) of this subsection as the number of hours worked during such month, rounded to the nearest eight hours, bears to 120 hours.

(3) For each month that an individual is paid a monthly educational assistance allowance under this chapter, the individual's entitlement under this chapter shall be charged at the rate of—

(A) 75 percent of a month in the case of payments made in accordance with paragraph (1)(A) of this subsection;

(B) 55 percent of a month in the case of payments made in accordance with paragraph (1)(B) of this subsection; and

(C) 35 percent of a month in the case of payments made in accordance with paragraph (1)(C) of this subsection.

§ 1433. Bar to duplication of educational assistance benefits

(a)(1) An individual entitled to educational assistance under a program established by this chapter who is also eligible for educational assistance under a program under chapter 31, **[**34,**]** *32,* or 35 of this **[**title or**]** *title,* under chapter 106 or 107 of title **[**10**]** *10, or under the Hostage Relief Act of 1980 (Public Law 96-449; 5 U.S.C. 5561 note)* may not receive assistance under **[**both**]** *two or more of such* programs concurrently but shall elect (in such form and manner as the Administrator may prescribe) under which program to receive education assistance.

* * * * * * *

[(c) An individual who is entitled to educational assistance under chapter 106 of title 10 may not also receive educational assistance under this chapter based on entitlement under section 1412 of this title.**]**

(c) An individual who serves in the Selected Reserve may not receive credit for such service under both the program established by this chapter and the program established by chapter 106 of title 10 but shall elect (in such form and manner as the Administrator may prescribe) the program to which such service is to be credited.

§ 1434. Program administration

(a) Except as otherwise provided in this chapter, the provisions of section 1663, 1670, 1671, 1673, 1674, 1676, 1682(g), [and 1683] *1683, and 1685* of this title and the provisions of subchapters I and II of chapter 36 of this title (with the exception of sections [1777, 1780(a)(5), 1780(b), 1786, 1787, and 1792 of such chapter] *1780(c), 1780(g), and 1787*) shall be applicable to the provision of educational assistance under this chapter. The term "eligible veteran", as used in those provisions, shall be deemed to include an individual who is eligible for educational assistance under this chapter.

[(b) An educational assistance allowance for any period may not be paid to an individual enrolled in or pursuing a program of education under this chapter until the Administrator has received—

[(1) from such individual a certification as to such individual's actual attendance during such period; and

[(2) from the educational institution a certification, or an endorsement of the individual's certificate, that such individual was enrolled in and pursuing a program of education during such period.]

(b) The Administrator may, pursuant to regulations which the Administrator shall prescribe, determine and define enrollment in, pursuit of, and attendance at, any program of education by an individual enrolled in or pursuing a program of education under this chapter for any period for which the individual receives educational assistance under this chapter. Subject to such reports and proof as the Administrator may require to show an individual's enrollment in and satisfactory pursuit of such individual's program, the Administrator may withhold payment of benefits to such individual until the required proof is received and the amount of the payment is appropriately adjusted.

(c) When an eligible individual is pursuing a program of education under this chapter by correspondence, the individual's entitlement under this chapter shall be charged at the rate of one month's entitlement for each month of benefits paid to the individual.

[(c)] *(d)* Regulations prescribed by the Secretary of Defense under this chapter shall be uniform for the Armed Forces under the jurisdiction of the Secretary of a military department.

§ 1435. Allocation of administration and of program costs

(a) * * *

* * * * * * *

(b)(1) * * *

* * * * * * *

(2) Payments for entitlement earned under subchapter II of this chapter that is established under section 1415(c) of this title at a rate in excess of the rate prescribed under [section 1415(a)] *subsection (a) or (b) of section 1415* of this title shall, to the extent of that excess, be made from the Department of Defense Education Benefits Fund established under section 2006 of title 10 or from ap-

propriations made to the Department of Transportation, as appropriate.

* * * * * * *

CHAPTER 31—TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES

Sec.
1500. Purposes.
1501. Definitions.
1502. Basic entitlement.
1503. Periods of eligibility.
1504. Scope of services and assistance.
1505. Duration of rehabilitation programs.
1506. Initial and extended evaluations; determinations regarding serious employment handicap.
1507. Individualized vocational rehabilitation plan.
1508. Allowances.
1509. Entitlement to independent living services and assistance.
1510. Leaves of absence.
1511. Regulations to promote satisfactory conduct and cooperation.
1512. Revolving fund loans.
1513. Vocational rehabilitation for hospitalized members of the Armed Forces and veterans.
1514. Vocational rehabilitation outside the United States.
1515. Rehabilitation resources.
1516. Promotion of employment and training opportunities.
1517. Employment assistance.
1518. Personnel training, development, and qualifications.
1519. Rehabilitation research and special projects.
1520. [Pilot Program] *Program* of independent living services and assistance.
1521. Veterans Advisory Committee on Rehabilitation.

* * * * * * *

§ 1501. Definitions

For the purposes of this chapter—

* * * * * * *

(6) The term "rehabilitation program" means (A) a vocational rehabilitation program, or (B) a program of independent living services and assistance for a veteran for whom a vocational goal has been determined not to be *currently* reasonably feasible.

* * * * * * *

(9) The term "vocational rehabilitation program" includes—

(A) the services provided for in this chapter that are needed for the accomplishment of the purposes of this chapter, including such counseling, diagnostic, medical, social, psychological, independent living, economic, educational vocational, and employment services as are determined by the Administrator to be needed—

(i) in the case of a veteran for whom the achievement of a vocational goal has not been determined not to be *currently* reasonably feasible, (I) to determine whether a vocational goal is reasonably feasible, (II) to improve such veteran's potential to participate in a program of services designed to achieve a vocational goal, and (III) to enable such veteran to achieve maximum independence in daily living, and

(ii) in the case of a veteran for whom the achievement of a vocational goal is determined to be reasonably feasible, to enable such veteran to become, to the maximum extent feasible, employable and to obtain and maintain suitable employment, and

(B) the assistance authorized by this chapter for a veteran receiving any of the services described in clause (A) of this paragraph.

* * * * * * *

§ 1503. Periods of eligibility

(a) * * *

* * * * * * *

(d) In any case in which the Administrator has determined that a veteran's disability or disabilities are so severe that the achievement of a vocational goal *currently* is not reasonably feasible, such veteran may be afforded a program of independent living services and assistance under this chapter after the expiration of the period of eligibility otherwise applicable to such veteran if the Administrator also determines that an extension of the period of eligibility of such veteran is necessary for such veteran to achieve maximum independence in daily living.

* * * * * * *

§ 1505. Duration rehabilitation programs

(a) In any case in which the Administrator is unable to determine whether it *currently* is reasonably feasible for a veteran to achieve a vocational goal, the period of extended evaluation under section 1506(c) of this title may not exceed twelve months, except that such period may be extended for additional periods of up to six months each if the Administrator determines before granting any such extension that it is reasonably likely that, during the period of any such extension, a determination can be made whether the achievement of a vocational goal is reasonably feasible in the case of such veteran.

(b) Except as provided in subsection (c) of this section, the period of a vocational rehabilitation program for a veteran under this chapter following a determination of the *current* reasonable feasibility of achieving a vocational goal may not exceed forty-eight months, except that the counseling and placement and postplacement services described in section 1504(a) (2) and (5) of this title may be provided for an additional period not to exceed eighteen months in any case in which the Administrator determines the provision of such counseling and services to be necessary to accomplish the purposes of a rehabilitation program in the individual case.

* * * * * * *

(d) Unless the Administrator determines that a longer period is necessary and likely to result in a substantial increase in a veteran's level of independence in daily living, the period of a program of independent living services and assistance for a veteran under

this chapter (following a determination by the Administrator that such veteran's disability or disabilities are so severe that the achievement of a vocational goal *currently* is not reasonably feasible) may not exceed twenty-four months.

§ 1506. Initial and extended evaluations; determinations regarding serious employment handicap

(a) The Administrator shall provide any veteran who has a service-connected disability described in section 1502(1) (A) or (B) of this title and who applies for benefits under this chapter with an initial evaluation consisting of such services described in section 1504(a)(1) of this title as are necessary (1) to determine whether such veteran is entitled to and eligible for benefits under this chapter, and (2) in the case of a veteran who is determined to be entitled to and eligible for such benefits, to determine—

(A) whether such veteran has a serious employment handicap, and

(B) whether the achievement of a vocational goal *currently* is reasonably feasible for such veteran if it is reasonably feasible to make such determination without extended evaluation.

(b) In any case in which the Administrator has determined that a veteran has a serious employment handicap and that the achievement of a vocational goal *currently* is reasonably feasible for such veteran, such veteran shall be provided counseling in accordance with an individualized written plan of vocational rehabilitation developed under section 1507(a) of this title.

(c) In any case in which the Administrator has determined that a veteran has a serious employment handicap but the Administrator is unable to determine, in an initial evaluation pursuant to subsection (a) of this section, whether or not the achievement of a vocational goal *currently* is reasonably feasible, such veteran shall be provided with extended evaluation consisting of the services described in section 1504(a)(1) of this title, such services under this chapter as the Administrator determines necessary to improve such veteran's potential for participation in a program of services designed to achieve a vocational goal and enable such veteran to achieve maximum independence in daily living, and assistance as authorized by section 1508 of this title.

(d) The Administrator shall in all cases determine as expeditiously as possible whether the achievement of a vocational goal by a veteran *currently* is reasonably feasible. In the case of a veteran provided extended evaluation under subsection (c) of this section (including any periods of extensions under section 1505(a) of this title), the Administrator shall make such determination not later than the end of such extended evaluation or period of extension, as the case may be. In determining whether the achievement of a vocational goal *currently* is reasonably feasible, the Administrator shall resolve any reasonable doubt in favor of determining that such achievement *currently* is reasonably feasible.

* * * * * * *

§ 1509. Entitlement to independent living services and assistance

In any case in which the Administrator has determined under section 1506(d) of this title that the achievement of a vocational goal by a veteran *currently* is not reasonably feasible, such veteran shall be entitled, in accordance with the provisions of section 1520 of this title, to a program of independent living services and assistance designed to enable such veteran to achieve maximum independence in daily living.

* * * * * * *

§ 1520. [Pilot program] *Program* of independent living services and assistance

(a)(1) During fiscal years 1982 through [1985,] *1989,* the Administrator may, under contracts with public or nonprofit private agencies or organizations, or through facilities of the Department of Medicine and Surgery, which possess a demonstrated capability to conduct programs of independent living services for severely handicapped persons, provide, under regulations which the Administrator shall prescribe, programs of independent living services and assistance under this chapter, in various geographic regions of the United States, to veterans described in paragraph (2) of this subsection.

(2) A program of independent living services and assistance may be made available under this section only to a veteran who has a service-connected disability described in section 1502(1)(A) of this title and with respect to whom it is determined under section 1506(d) of this title that the achievement of a vocational goal *currently* is not reasonably feasible and who is selected pursuant to criteria provided for in regulations prescribed under paragraph (1) of this subsection.

* * * * * * *

(5) Any contract for services initiated with respect to any veteran under this section before the end of fiscal year [1985,] *1989,* may be continued in effect after the end of such year for the purposes of providing services and assistance to such veteran in accordance with the provisions of this chapter.

(6) Programs of independent living services and assistance shall be initiated for no more than five hundred veterans in each of the fiscal years 1982 through [1985,] *1989,* and the first priority in the provision of such programs shall be afforded to veterans for whom the reasonable feasibility of achieving a vocational goal is precluded soley as a result of a service-connected disability.

[(b) Not later than September 30, 1984, the Administrator shall submit to the Congress a report on the programs of independent living services and assistance provided for in subsection (a) of this section. Such report shall include—

[(1) the results of a study which the Administrator shall conduct of the accomplishments and cost-effectiveness of such programs, including the extent to which (A) such programs have met needs for comprehensive independent living services that would not otherwise have been met, (B) severely disabled veterans have achieved and maintained greater independence

in daily living as a result of participation in the programs, and (C) costs of care in hospital, nursing home, and domiciliary facilities have been and may be avoided as the result of such programs; and

[(2) the Administrator's recommendations for any legislative changes with respect to the provision of independent living services and assistance to veterans for whom the achievement of a vocational goal is not feasible.]

(b) Not later than February 1, 1989, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives statistical data regarding veterans' participation in the program conducted under subsection (a) of this section during fiscal years 1987 and 1988 and any recommendations of the Administrator for administrative or legislative action or both regarding the program.

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CHAPTER 32—POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE

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SUBCHAPTER III—ENTITLEMENT; DURATION

1631. Entitlement; loan eligibility.
1632. Duration; limitations.
1633. Apprenticeship or other on-job training.

* * * * * * *

Subchapter I—Purpose; Definitions

§ 1601. Purpose.

It is the purpose of this chapter (1) to provide educational assistance to those men and women who enter the Armed Forces after December 31, 1976, *and before July 1, 1985,* (2) to assist young men and women in obtaining an education they might not otherwise be able to afford, and (3) to promote and assist the all volunteer military program of the United States by attracting qualified men and women to serve in the Armed Forces.

§ 1602. Definitions

For the purposes of this chapter—

(1)(A) The term "eligible veteran" means any veteran who is not eligible for educational assistance under chapter 34 of this title and who (i) entered military service on or after January 1, 1977, *and before July 1, 1985,* served on active duty for a period of more than 180 days commencing on or after [such date,] *January 1, 1977,* and was discharged or released therefrom under conditions other than dishonorable, or (ii) entered military service on or after January 1, 1977, *and before July 1, 1985,* and was discharged or released from active duty after [such date] *January 1, 1977* for a service-connected disability.

* * * * * * *

[(2) The terms "program of education" and "educational institution" shall have the same meaning ascribed to them in sections 1652(b) and 1652(c), respectively, of this title.]

(2) The term "program of education"—

(A) has the meaning given such term in section 1652(b) of this title, and

(B) includes a full-time program of apprenticeship or other on-job training approved as provided in clause (1) or (2), as appropriate, of section 1787(a) of this title.

* * * * * * *

(4) The term "educational institution" has the meaning given such term in section 1652(c) of this title.

(5) The term "training establishment" has the meaning given such term in section 1652(e) of this title.

Subchapter II—Eligibility; Contributions; and Matching Fund

§ 1621. Eligibility

(a) Each person entering military service on or after January 1, 1977, *and before July 1, 1985,* shall have the right to enroll in the educational benefits program provided by this chapter (hereinafter in this chapter referred to as the "program" except where the text indicates otherwise) at any time during such person's service on active [duty.] *duty before July 1, 1985.* When a person elects to enroll in the program, such person must participate for at least 12 consecutive months before disenrolling or suspending participation.

* * * * * * *

Subchapter III—Entitlement; Duration

§ 1631. Entitlement; loan eligibility

(a)(1) * * *

* * * * * * *

(2) [The] *Except as provided in section 1633 of this title and subject to section 1641 of this title, the* amount of the monthly payment to which any eligible veteran is entitled shall be ascertained by (A) adding all contributions made to the fund by the eligible veteran, (B) multiplying the sum by 3, (C) adding all contributions made to the fund for such veteran by the Secretary, and (D) dividing the sum by the lesser of 36 or the number of months in which contributions were made by such veteran.

* * * * * * *

§ 1632. Duration; limitations

[No educational assistance benefits shall be afforded an eligible veteran under this chapter beyond the date of 10 years after such veteran's last discharge or release from active duty. In the event an eligible veteran has not untilized any or all of such veterans' entitlement by the end of the 10-year period, such eligible veteran is automatically disenrolled and any contributions made by such veteran remaining in the fund shall be refunded to the veteran following notice to the veteran and an application by the veteran for

such refund. If no application is received within 1 year from date of notice, it will be presumed for the purposes of section 1322(a) of title 31 that the individual's whereabouts is unknown and the funds shall be transferred as directed in such section.]

(a)(1) Except as provided in paragraphs (2) and (3) of this subsection, educational assistance benefits shall not be afforded an eligible veteran under this chapter more than 10 years after the date of such veteran's last discharge or release from active duty.

(2)(A) If any eligible veteran was prevented from initiating or completing such veteran's chosen program of education during the delimiting period determined under paragraph (1) of this subsection because of a physical or mental disability which was not the result of such veteran's own willful misconduct, such veteran shall, upon application made in accordance with subparagraph (B) of this paragraph, be granted an extension of the applicable delimiting period for such length of time as the Administrator determines, from the evidence, that such veteran was so prevented from initiating or completing such program of education.

(B) An extension of the delimiting period applicable to an eligible veteran may be granted under subparagraph (A) of this paragraph by reason of the veteran's mental or physical disability only if the veteran submits an application for such extension to the Administrator within one year after (i) the last date of the delimiting period otherwise applicable to the veteran under paragraph (1) of this subsection, or (ii) the termination date of the period of the veteran's mental or physical disability, whichever is later.

(3) When an extension of the applicable delimiting period is granted an eligible veteran under paragraph (2) of this subsection, the delimiting period with respect to such veteran shall again begin to run on the first day after such veteran's recovery from such disability on which it is reasonably feasible, as determined in accordance with regulations prescribed by the Administrator, for such veteran to initiate or resume pursuit of a program of education with educational assistance under this chapter.

(b)(1) In the event that an eligible veteran has not utilized any or all of such veteran's entitlement by the end of the delimiting period applicable to the veteran under subsection (a) of this section, such eligible veteran is automatically disenrolled.

(2)(A) Any contributions which were made by a veteran disenrolled under paragraph (1) of this subsection and remain in the fund shall be refunded to the veteran after notice of disenrollment is transmitted to the veteran and the veteran applies for such refund.

(B) If no application for refund of contributions under subparagraph (A) of this paragraph is received from a disenrolled veteran within one year after the date the notice referred to in such subparagraph is transmitted to the veteran, it shall be presumed, for the purposes of section 1322(a) of title 31, that the veteran's whereabouts is unknown and the funds shall be transferred as provided in such section.

§ 1633. Apprenticeship or other on-job training

(a) Except as provided in subsection (b) of this section, the amount of the monthly benefit payment to an individual pursuing a full-

time program of apprenticeship or other on-job training under this chapter is—

(1) for each of the first six months of the individual's pursuit of such program, 75 percent of the monthly benefit payment otherwise payable to such individual under this chapter;

(2) for each of the second six months of the individual's pursuit of such program, 55 percent of such monthly benefit payment; and

(3) for each of the months following the first 12 months of the individual's pursuit of such program, 35 percent of such monthly benefit payment.

(b) In any month in which an individual pursuing a program of education consisting of a program of apprenticeship or other on-job training fails to complete 120 hours of training, the amount of the monthly benefit payment payable under this chapter to the individual shall be limited to the same proportion of the applicable rate determined under subsection (a) of this section as the number of hours worked during such month, rounded to the nearest eight hours, bears to 120 hours.

(c) For each month that an individual is paid a monthly benefit payment under this chapter, the individual's entitlement under this chapter shall be charged at the rate of—

(1) 75 percent of a month in the case of payments made in accordance with subsection (a)(1) of this section;

(2) 55 percent of a month in the case of payments made in accordance with subsection (a)(2) of this section; and

(3) 35 percent of a month in the case of payments made in accordance with subsection (a)(3) of this section.

Subchapter IV—Administration

§ 1641. Requirements

(a) The provisions of sections 1663, 1670, 1671, 1673, 1674, 1676, 1683, *1685,* and 1691(a)(1) of this title and the provisions of chapter 36 of this title (with the exception of [sections 1777, 1780(c), and 1787) shall be applicable to the program.] *section 1787) shall be applicable with respect to individuals who are pursuing programs of education while serving on active duty.*

(b) The provisions of sections 1663, 1670, 1671, 1673, 1674, 1676, 1683, and 1691(a)(1) of this title and the provisions of chapter 36 of this title (which the exception of section 1787) shall be applicable with respect to individuals who are pursuing programs of education following discharge or release from active duty.

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CHAPTER 34—VETERANS' EDUCATIONAL ASSISTANCE

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Subchapter II—Eligibility and Entitlement

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§ 1663. Educational and vocational counseling

The Administrator shall make available to any eligible veteran, upon such veteran's request, counseling services, including such educational and vocational counseling and guidance, testing, and other assistance as the Administrator deems necessary to aid such veteran in selecting (1) an educational or training objective and an educational institution or training establishment appropriate for the attainment of such objective, or (2) an employment objective that would be likely to provide such veteran with satisfactory employment opportunities in light of such veteran's personal circumstances. *In any case in which the Administrator has rated the veteran as being incompetent, such counseling shall be required to be provided to the veteran prior to the selection of a program of education or training.* At such intervals as the Administrator deems necessary, the Administrator shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions. Facilities of other Federal agencies collecting such information shall be utilized to the extent the Administrator deems practicable. The Administrator shall take appropriate steps (including individual notification where feasible) to acquaint all eligible veterans with the availability and advantages of such counseling services.

* * * * * * *

Subchapter IV—Payments to Eligible Veterans; Veteran-Student Services

* * * * * * *

§ 1685. Veteran-student services

(a) * * *

* * * * * * *

(b) Notwithstanding any other provision of law, the Administrator shall utilize, in connection with the activities specified in subsection (a) of this section, the services of veteran-students who are pursuing full-time programs of [education] *rehabilitation, education,* or training under [chapters 31 and] *chapter 30, 31, 32, or* 34 of this title. In carrying out this section, the Administrator, wherever feasible, shall give priority to veterans with disabilities rated at 30 per centum or more for purposes of chapter 11 of this title. In the event the veteran ceases to be a full-time student before completing such agreement, the veteran may, with the approval of the Administrator, be permitted to complete such agreement.

* * * * * * *

CHAPTER 35—SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE

* * * * * * *

SUBCHAPTER III—PROGRAM OF EDUCATION

1720. [Development of educational plan.] *Educational and vocational counseling.*
1721. [Final approval] *Approval* of application.

1722. [REPEALED.]
1723. Disapproval of enrollment in certain courses.
1724. Discontinuance for unsatisfactory progress.
1725. [REPEALED.]
1726. [REPEALED.]

* * * * * * *

Subchapter II—Eligibility and Entitlement

* * * * * * *

§ 1712. Periods of eligibility

(a) * * *

* * * * * * *

(b)(1) * * *

* * * * * * *

(3)(A) Notwithstanding the provisions of paragraph (1) of this subsection, any eligible person (as defined in clause (B) or (D) of section 1701(a)(1) of this title) may, subject to the approval of the Administrator, be permitted to elect a date referred to in subparagraph (B) of this paragraph to commence receiving educational assistance benefits under this chapter. The date so elected shall be the beginning date of the delimiting period applicable to such person under this section.

(B) The date which an eligible person may elect under subparagraph (A) of this paragraph is any date during the period beginning on the date the person became an eligible person within the meaning of clause (B) or (D) of section 1701(a)(1) of this title and ending on the date determined under subparagraph (A), (B), or (C) of paragraph (1) of this subsection to be applicable to such person.

* * * * * * *

Subchapter III—Program of Education

§ 1720. [Development of educational plan] *Educational and vocational counseling*

[(a) Upon provisional approval of an application for educational assistance for a person eligible within the meaning of section 1701(a)(1)(A) of this title, the Administrator may, upon request, arrange for educational or vocational counseling to assist the parent or guardian and the eligible person in selecting such person's educational, vocational, or professional objective and in developing such person's program of education. During, or after, such counseling, the parent or guardian shall prepare for the eligible person an educational plan which shall set forth the selected objective, the proposed program of education, a list of the educational institutions at which such program would be pursued, an estimate of the sum which would be required for tuition and fees in completion of such program, and such other information as the Administrator shall require. This educational plan shall be signed by the parent or guardian and shall become an integral part of the application for educational assistance under this chapter.

[(b) The Administrator may, on request, arrange for educational counseling for persons eligible for educational assistance under section 1701(a)(1)(B), (C), or (D) of this title.]

The Administrator may, upon request, arrange for educational or vocational counseling for persons eligible for benefits under this chapter to assist such persons in selecting their educational, vocational, or professional objectives and in developing their programs of education.

§ 1721. [Final approval] *Approval* of application

The Administrator shall [finally] approve an application if the Administrator finds that—

[(1) section 1720 of this title has been complied with;]

[(2)] *(1)* the proposed program of education constitutes a "program of education" as that term is defined in this chapter;

[(3)] *(2)* the eligible person is not already qualified, by reason of previous education or training, for the educational, professional, or vocational objective for which the program of education is offered;

[(4)] *(3)* the eligible person's proposed educational institution or training establishment is in compliance with all the requirements of this chapter and chapter 36 of this title; and

[(5)] *(4)* it does not appear that the enrollment in or pursuit of such person's program of education would violate any provisions of this chapter or chapter 36 of this title.

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CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

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Subchapter I—State Approving Agencies

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§ 1780. Payment of educational assistance or subsistence allowances

Period for Which Payment May Be Made

(a) Payment of educational assistance or subsistence allowances to eligible veterans or eligible persons pursuing a program of education or training, other than a program by correspondence, in an educational institution under chapter 31, 34, or 35 of this title shall be paid as provided in this section and, as applicable, in section 1508, 1682, 1691, or 1732 of this title. Such payments shall be paid only for the period of such veterans' or persons enrollment in, and pursuit of, such program, but no amount shall be paid—

(1) to any eligible veteran or eligible person enrolled in a course which leads to a standard college [degree] *degree, or a course that meets the requirements of section 1788(a)(7) of this title,* for any period when such veteran or person is not pursuing such veteran's or person's course in accordance with the regularly established policies and regulations of the education-

al institution, with the provisions of such regulations as may be prescribed by the Administrator pursuant to subsection (g) of this section, and with the requirements of this chapter or of chapter 34 or 35 of this title, but payment may be made for an actual period of pursuit of one or more unit subjects pursued for a period of time shorter than the enrollment period at the educational institution;

(2) to any eligible veteran or eligible person enrolled in a course which does not lead to a standard college degree (excluding *courses that meet the requirements of section 1788(a)(7) of this title and* programs of apprenticeship and programs of other on-job training authorized by section 1787 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays (or customary vacation periods connected therewith) established by Federal or State law (or in the case of the Republic of the Philippines, Philippine law) during which the institution is not regularly in session and periods (not to exceed five days in any twelve-month period) when the institution is not in session because of teacher conferences or teacher training sessions;

(3) to any eligible veteran or person for auditing a course;

(4) to any eligible veteran or person for a course for which the grade assigned is not used in computing the requirements for graduation including a course from which the student withdraws unless the Administrator finds there are mitigating circumstances; or

(5) to any eligible veteran or person for pursuit of a program of education exclusively by correspondence as authorized under section 1786 of this title or for the pursuit of a correspondence portion of a combination correspondence-residence course leading to a vocational objective where the normal period of time required to complete such correspondence course or portion is less than 6 months. A certification as to the normal period of time required to complete the course must be made to the Administrator by the educational institution.

Notwithstanding the foregoing, the Administrator may, subject to such regulations as the Administrator shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) or (2) of this subsection—

(A) during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absences for the purposes of clause (2) of this subsection;

(B) during periods between consecutive school terms where such veterans or persons transfer from one approved educational institution to another approved educational institution for the purpose of enrolling in and pursuing a similar course at the second institution if the period between such consecutive terms does not exceed 30 days, but such periods shall be counted as absences for the purposes of clause (2) of this subsection; or

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(C) during periods between a semester, term, or quarter where the educational institution certifies the enrollment of the eligible veteran or eligible person on an individual semester, term, or quarter basis if the interval between such periods does not exceed 1 full calendar month, but such periods shall be counted as absences for the purposes of clause (2) of this subsection.

* * * * * * *

Payments for Less Than Half-Time Training

(f) Payment of educational assistance allowance in the case of any eligible veteran or eligible person pursuing a program of education on less than a half-time basis shall be made in an amount computed for the entire quarter, semester, or term [during] *not later than the last day of* the month immediately following the month in which certification is received from the educational institution that such veteran or person has enrolled in and is pursuing a program at such institution. Such lump sum payment shall be computed at the rate provided in section 1682(b) or 1732(a)(2) of this title, as applicable.

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Subchapter II—Miscellaneous Provisions

§ 1781. Limitations on educational assistance

(a) * * *

* * * * * * *

(b) No person may receive benefits concurrently under two or more of the provisions of law listed [below for the pursuit of the same program of education:] *below:*

(1) Chapters 30, 31, 32, 34, 35, and 36 of this title.

(2) [Chapter] *Chapters 106 and* 107 of title 10.

(3) Section 903 of the Department of Defense Authorization Act, 1981 (Public Law 96-342, 10 U.S.C. 2141 note.)

(4) The Hostage Relief Act of 1980 (Public Law 96-449, 5 U.S.C. 5561 note.)

* * * * * * *

§ 1784. Reports by veterans, eligible persons, and institutions; reporting fee

[(a) The] *(a)(1) Except as provided in paragraph (2) of this subsection, the* veteran or eligible person and the educational institution offering a course in which such veteran or eligible person is enrolled under chapter 34, 35, or 36 of this title shall, without delay, report to the Administrator, in the form prescribed by the Administrator, such enrollment and any interruption or termination of the education of each such veteran or eligible person. The date of such interruption or termination will be the last date of pursuit, or, in the case of correspondence training, the last date a lesson was serviced by a school.

(2)(A) In the case of a program of independent study pursued on less than a half-time basis in an educational institution, the Administrator may approve a delay by the educational institution in reporting the enrollment or reenrollment of an eligible veteran or eligible person until the end of the term, quarter, or semester if the educational institution requests the delay and the Administrator determines that it is not feasible for the educational institution to monitor interruption or termination of the veteran's or eligible person's pursuit of such program.

(B) An educational institution which, pursuant to subparagraph (A) of this paragraph, is delaying the reporting of the enrollment or reenrollment of a veteran shall provide the veteran with notice of the delay at the time that the veteran enrolls or reenrolls.

(3)(A) Subject to subparagraph (B) of this paragraph, an educational institution offering courses on a term, quarter, or semester basis may certify the enrollment of a veteran who is not on active duty, or of an eligible person, in such courses for more than one term, quarter, or semester at a time, but not for a period extending beyond the end of a school year (including the summer enrollment period).

(B) Subparagraph (A) of this paragraph shall not apply with respect to any term, quarter, or semester for which the veteran or eligible person is enrolled on a less than half-time basis and shall not be construed as restricting the Administrator from requiring that an educational institution, in reporting an enrollment for more than one term, quarter, or semester, specify the dates of any intervals within or between any such terms, quarters, or semesters.

* * * * * * *

§ 1788. Measurement of courses

(a) For the purposes of this chapter and chapters 34 and 35 of this title—

(1) an institutional trade or technical course offered on a clock-hour basis, not leading to a standard college degree, involving shop practice as an integral part thereof, shall be considered full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods and not more than 5 hours of supervised study per week allowed, but if such course is approved pursuant to section 1775(a)(1) of this title, then 22 hours per week of attendance, with no more than 2½ hours of rest period per week allowed and excluding supervised study, shall be considered full time;

(2) an institutional course offered on a clock-hour basis, not leading to a standard college degree, in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction and not more than 5 hours of supervised study (which may include customary intervals not to exceed ten minutes between hours of instruction) is required, but if such course is approved pursuant to section 1775(a)(1) of this title, then 18 hours per week net of instruction (excluding supervised study), which may include customary intervals not to

exceed ten minutes between hours of instruction, shall be considered full time;

(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when (A) a minimum of four units per year is required or (B) an individual is pursuing a program of education leading to an accredited high school diploma at a rate which, if continued, would result in receipt of such a diploma in four ordinary school years. For the purpose of subclause (A) of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

(4) an institutional undergraduate course offered by a college or university in residence on a standard quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours per semester or the equivalent thereof (including such hours for which no credit is granted but which are required to be taken to correct an educational deficiency and which the educational institution considers to be quarter or semester hours for other administrative purposes), for which credit is granted toward a standard college degree, is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course;

(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible veteran or person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining; [and]

(6) an institutional course offered as part of a program of education, not leading to a standard college degree, under section 1691(a)(2) of this title shall be considered a full-time course on the basis of measurement criteria provided in clause (2), (3), or (4) of this subsection as determined by the educational [institution.] *institution; and*

(7) an institutional course not leading to a standard college degree, offered by a fully accredited institution of higher learning in residence on a standard quarter- or semester-hour basis,

shall be measured as full time on the same basis as provided in clause (4) of this subsection if (A) such course is approved pursuant to section 1775 of this title, and (B) a majority of the total credits required for the course is derived from unit courses or subjects offered by the institution as part of a course, so approved, leading to a standard college degree.

Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter- or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection); but (A) the academic portions of such courses must require outside preparation and be measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses must be measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses must be measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester. In no event shall such course be considered a full-time course when less than twenty-two hours per week of attendance is required.

* * * * * * *

(c) For the purposes of subsection (a)[(4)] of this section, the term "in residence on a standard quarter- or semester-hour basis" means a study at a site or campus of a college or university, or off-campus at an official resident center, requiring pursuit of regularly scheduled weekly class instruction at the rate of one standard class session per week throughout the quarter or semester for one quarter or one semester hour of credit. For the purposes of the preceding sentence, the term "standard class session" means one hour (or fifty-minute period) of academic instruction, two hours of laboratory instruction, or three hours of workshop training.

* * * * * * *

(e) For the purpose of determining whether a course—

(1) which is offered by an institution of higher learning, and

(2) for which such institution requires one or more unit courses or subjects for which credit is granted toward a standard college degree

will, during the semester (or quarter or other applicable portion of the academic year) when such unit course or subject is being pursued, be considered full time under clause (1) or (2) of subsection (a) of this section, each of the numbers of hours specified in such clause shall be deemed to be reduced, during such semester (or other portion of the academic year), by the percentage described in the following sentence and rounded as the Administrator may prescribe. Such percentage is the percentage that the number of semester hours (or the equivalent thereof) represented by such unit course or subject is of the number of semester hours (or the equivalent thereof) which,

under clause (4) of such subsection, constitutes a full-time institutional undergraduate course at such institution.

* * * * * * *

§ 1792. Advisory committee

(a) There shall be [an advisory committee] *a Veterans' Advisory Committee on Education* formed by the Administrator which shall be composed of persons who are eminent in their respective fields of education, labor, and management and of representatives of institutions and establishmentrs furnishing education to eligible veterans or persons enrolled under chapter *30,* 32, 34, or 35 of this title. The committee shall also include veterans representative of World War II, the Korean conflict era, the post-Korean conflict era, the Vietnam era, and the post-Vietnam era. The Assistant Secretary of Education for Postsecondary Education (or such other comparable official of the Department of Education as the Secretary of Education may designate) and the Assistant Secretary of Labor for Veterans' Employment shall be ex officio members of the advisory committee.

(b) The Administrator shall consult with and seek the advice of the committee from time to time with respect to the administration of this chapter and chapters *30,* 32, 34, and 35 of this title. The committee may make such reports and recommendations as it considers desirable to the Administrator and the Congress.

* * * * * * *

CHAPTER 37—HOUSING AND SMALL BUSINESS LOANS

* * * * * * *

SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

1820. Powers of Administrator.
1821. Incontestability.
1822. [REPEALED.]
1823. Direct loan revolving fund.
1824. Loan guaranty revolving fund.
1825. Waiver of discharge requirements for hospitalized persons.
1826. Withholding of payments, benefits, etc.
1827. Expenditures to correct or compensate for structural defects in mortgaged homes.
1828. Exemption from State anti-usury provisions.
1829. Loan fee.
1830. Use of attorneys in court.
1831. Appraisals.
1832. Furnishing information to real estate professionals to facilitate the disposition of properties.

* * * * * * *

Subchapter II—Loans

§ 1810. Purchase or construction of homes

(a) * * *

* * * * * * *

(b) No loan may be guaranteed under this section or made under section 1811 of this title unless—

(1) the proceeds of such loan will be used to pay for the property purchased, constructed, or improved;

(2) the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost bear a proper relation to the veteran's present and anticipated income and expenses;

(3) the veteran is a satisfactory credit [risk;] *risk, as determined in accordance with the credit underwriting standards established pursuant to subsection (g) of this section;*

(4) the nature and condition of the property is such as to be suitable for dwelling purposes;

(5) the loan to be paid by the veteran for such property or for the cost of construction, repairs, or alterations, does not exceed the reasonable value thereof as determined by the Administrator; and,

(6) if the loan is for repair, alteration, or improvement of property, such repair, alteration, or improvement substantially protects or improves the basic livability or utility of such property.

After the reasonable value of any property, construction, repairs, or alterations is determined under paragraph (5), the Administrator shall, as soon as possible thereafter, notify the veteran concerned of such determination.

* * * * * * *

(g)(1) For the purposes of this subsection, the term "veteran", when used with respect to a loan guaranteed or to be guaranteed under this chapter, includes the veteran's spouse if the spouse is jointly liable with the veteran under the loan.

(2) For the purpose of determining whether a veteran meets the standards referred to in subsection (b)(3) of this section and section 1819(e)(2) of this title, the Administrator shall prescribe regulations which establish—

(A) credit underwriting standards to be used in evaluating loans to be guaranteed under this chapter; and

(B) standards to be used by lenders in obtaining credit information and processing loans to be guaranteed under this chapter.

(3) In the regulations prescribed under paragraph (2) of this subsection, the Administrator shall establish standards that include—

(A) debt-to-income ratios to apply in the case of the veteran applying for the loan;

(B) criteria for evaluating the reliability and stability of the income of the veteran applying for the loan; and

(C) procedures for ascertaining the monthly income required by the veteran to meet the anticipated loan payment terms.

(4)(A) Any lender making a loan under this chapter shall certify, in such form as the Administrator shall prescribe, that the lender has complied with the credit information and loan processing standards established under paragraph (2)(B) of this subsection, and that, to the best of the lender's knowledge and belief, the loan meets the underwriting standards established under paragraph (2)(A) of this subsection.

(B) Any lender who knowingly and willfully makes a false certification under subparagraph (A) of this paragraph shall be liable to the United States Government for a civil penalty equal to two times the amount of the Administrator's loss on the loan involved or to another appropriate amount, not to exceed $10,000, whichever is greater. All determinations necessary to carry out this subparagraph shall be made by the Administrator.

(5) Pursuant to regulations prescribed to carry out this paragraph, the Administrator may, in extraordinary situations, waive the application of the credit underwriting standards established under paragraph (2) of this subsection when the Administrator determines, considering the totality of circumstances, that the veteran is a satisfactory credit risk.

* * * * * * *

§ 1816. Procedure on default

(a)(1) * * *

* * * * * *

(e) The Administrator may not make a loan to finance a purchase of property acquired by the Administrator as a result of a default on a loan guaranteed under this chapter unless the purchaser meets the credit underwriting standards established under section 1810(g)(2)(A) of this title.

(f)(1) The Administrator shall identify and compile information on common factors which the Administrator finds contribute to foreclosures on loans guaranteed under this chapter.

(2) The Administrator shall include a summary of the information compiled, and the Administrator's findings, under paragraph (1) of this subsection in the annual report submitted to the Congress under section 214 of this title. As part of such summary and findings, the Administrator shall provide a separate analysis of the factors which contribute to foreclosures of loans which have been assumed.

* * * * * * *

§ 1819. Loans to purchase manufactured homes and lots

(a)(1) * * *

* * * * * * *

(e) No loan shall be guaranteed under this section unless—

(1) the loan is repayable in approximately equal monthly installments;

(2) the terms of repayment bear a proper relationship to the veteran's present and anticipated income and expenses, and the veteran is a satisfactory credit risk, *as determined in accordance with the regulations prescribed under section 1810(g) of this title and* taking into account the purpose of this program to make available lower cost housing to low and lower income veterans, especially those who have been recently discharged or released from active military, naval, or air service, who may not have previously established credit ratings;

(3) the loan is secured by a first lien on the manufactured home purchased with the proceeds of the loan and on any lot acquired or improved with the proceeds of the loan;

(4) the amount of the loan to be paid by the veteran is not in excess of the amount determined to be reasonable, based upon—

(A) with respect to any portion of the loan to purchase a new manufactured home, such cost factors as the Administrator considers proper to take into account;

(B) with respect to any portion of the loan to purchase a used manufactured home, the reasonable value of the property, as determined by the Administrator;

(C) with respect to any portion of the loan to purchase a lot, the reasonable value of such lot, as determined by the Administrator; and

(D) with respect to any portion of the loan to cover the cost of necessary site preparation, an appropriate amount, as determined by the Administrator;

(5) the veteran certifies, in such form as the Administrator shall prescribe, that the veteran will personally occupy the property as the veteran's home;

(6) the manufactured home is or will be placed on a site which meets specifications which the Administrator shall establish by regulation; and

(7) the interest rate to be charged on the loan does not exceed the permissible rate established by the Administrator.

* * * * * * *

Subchapter III—Administrative Provisions

§ 1820. Powers of Administrator

(a) * * *

* * * * * * *

(b) The powers granted by this section may be exercised by the Administrator without regard to any other provision of law not enacted expressly in limitation of this section, which otherwise would govern the expenditure of public funds; however, section 3709 of the Revised Statutes (41 U.S.C. 5) shall apply to any contract for services or supplies on account of any property acquired pursuant to this section if the amount of such contract exceeds [$1,000.] *the amount prescribed in clause (1) of the first sentence of such section.*

* * * * * * *

§ 1823. Direct loan revolving fund

(a) * * *

* * * * * * *

(d)(1) The Secretary of the Treasury shall transfer from the direct loan revolving fund to the loan guaranty revolving fund established by section 1824(a) of this title such amounts as the Administrator determines are not needed in the direct loan revolving fund.

(2) Not later than 30 days after the date on which the Secretary makes a transfer under paragraph (1) of this subsection, the Administrator shall submit a notice of such transfer to the appropriate committees of the Congress.

* * * * * * *

§ 1830. Use of attorneys in court

(a) Within 180 days after the date of the enactment of this section, the Administrator shall take appropriate steps to authorize attorneys employed by the Veterans' Administration to exercise the right of the United States to bring suit in court to foreclose a loan made or acquired by the Administrator under this chapter and to recover possession of any property acquired by the Administrator under this chapter. [With the concurrence of the Attorney General of the United States, the] *The* Administrator may acquire the services of attorneys, other than those who are employees of the Veterans' Administration, to exercise that right. The activities of attorneys in bringing suit under this section shall be subject to the direction and supervision of the Attorney General and to such terms and conditions as the Attorney General may prescribe.

* * * * * * *

§ 1831. Appraisals

(a) The Administrator shall—

(1) in consultation with appropriate representatives of institutions which are regularly engaged in making housing loans, prescribe uniform qualifications for appraisers;

(2) use such qualifications in determining whether to approve an appraiser to make appraisals of the reasonable value of any property, construction, repairs, or alterations for the purposes of this chapter; and

(3) in consultation with local representatives of institutions described in clause (1) of this subsection, develop and maintain lists of appraisers who are approved under clause (2) of this subsection to make appraisals for the purposes of this chapter.

(b) The Administrator shall select appraisers from a list required by subsection (a)(3) of this section on a rotating basis to make appraisals for the purposes of this chapter.

(c) The Administrator shall, upon request, furnish a copy of the appraisal made of property for the purposes of this chapter to the lender proposing to make the loan which is to be secured by such property and is to be guaranteed under this chapter.

(d) If a lender—

(1) has proposed to make a loan to be guaranteed under this chapter,

(2) has been furnished a certificate of reasonable value of any property or of any construction, repairs, or alterations of property which is to be the security for such loan, and

(3) within a reasonable period prescribed by the Administrator, has furnished to the Administrator an additional appraisal of the reasonable value of such property, construction, repairs,

or alterations which was made by an appraiser selected by the lender from the list required by subsection (a)(3) of this section, the Administrator shall consider both the initial appraisal and the additional appraisal and shall, if appropriate, issue a revised certificate of reasonable value of such property, construction, repairs, or alterations.

(e)(1) In no case may a veteran be required to pay all or any portion of the cost of the additional appraisal described in subsection (d)(3) of this section.

(2) If a veteran, within a reasonable period prescribed by the Administrator, has furnished to the Administrator an additional appraisal of the reasonable value of such property, construction, repairs or alterations which was made by an appraiser selected by the veteran from the list required by subsection (a)(3) of this section, the Administrator shall consider such appraisal, along with other appraisals furnished to the Administrator, and shall, if appropriate, issue a revised certificate of reasonable value of such property, construction, repairs, or alterations.

§ 1832. Furnishing information to real estate professionals to facilitate the disposition of properties

The Administrator shall furnish to real estate brokers and other real estate sales professionals information on the availability of real property for disposition under this chapter and the procedures used by the Veterans' Administration to dispose of such property.

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CHAPTER 42—EMPLOYMENT AND TRAINING OF DISABLED AND VIETNAM ERA VETERANS

* * * * * * *

§ 2014. Employment within the Federal Government

(a)(1) * * *

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(b)(1) * * *

* * * * * * *

(2) No veterans readjustment appointment may be made under authority of this subsection after [September 30, 1986.] *December 31, 1989.*

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CHAPTER 43—VETERANS' REEMPLOYMENT RIGHTS

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§ 2021. Right to reemployment of inducted persons; benefits protected

(a) * * *

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(b)(1) * * *

* * * * * * *

(3) Any person who *seeks or* holds a position described in clause (A) or (B) of subsection (a) of this section shall not be denied *hiring,* retention in [employment] *employment,* or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces.

* * * * * * *

PART IV—GENERAL ADMINISTRATIVE PROVISIONS

* * * * * * *

CHAPTER 51—APPLICATIONS, EFFECTIVE DATES, AND PAYMENTS

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Subchapter II—Effective Dates

* * * * * * *

§ 3012. Effective dates of reductions and discontinuances

(a) * * *

* * * * * * *

(c) The effective date of a discontinuance under section 3203(b)(1)(A) of this title of pension, compensation, or emergency officers' retirement pay by reason of hospital treatment or institutional or domiciliary care shall be the last day of the first month of such treatment or care during which the value of the veteran's estate, as determined under such section, equals or exceeds $1,500.

§ 3013. Effective dates of educational benefits

Effective dates relating to awards under chapters *30,* 31, 34, and 35 of this title shall, to the extent feasible, correspond to effective dates relating to awards of disability compensation.

* * * * * * *

CHAPTER 53—SPECIAL PROVISIONS RELATING TO BENEFITS

* * * * * * *

§ 3101. Nonassignability and exempt status of benefits

(a) * * *

* * * * * * *

(c)(1) Notwithstanding any other provision of this section, the Administrator may, after receiving a request under paragraph (2) of this subsection relating to a veteran, collect by offset of any compensation or pension payable to the veteran under laws administered by the Veterans' Administration the uncollected portion of the amount

of any indebtedness associated with the veteran's participation in a plan prescribed in subchapter I or II of chapter 73 of title 10.

(2) If the Secretary concerned (as defined in section 101(5) of title 37) has tried under section 3711(a) of title 31 to collect an amount described in paragraph (1) of this subsection in the case of any veteran, has been unable to collect such amount, and has determined that the uncollected portion of such amount is not collectible from amounts payable by the Secretary to the veteran or that the veteran is not receiving any payment from the Secretary, the Secretary may request the Administrator to make collections in the case of such veteran as authorized in paragraph (1) of this subsection.

(3)(A) A collection authorized by paragraph (1) of this subsection shall be conducted in accordance with the procedures prescribed in section 3716 of title 31 for administrative offset collections made after attempts to collect claims under section 3711(a) of such title.

(B) For the purposes of subparagraph (A) of this paragraph, as used in the second sentence of section 3716(a) of title 31—

(i) the term "records of the agency" shall be considered to refer to the records of the department of the Secretary concerned; and

(ii) the term "agency" in clauses (3) and (4) shall be considered to refer to such department.

(4) Funds collected under this subsection shall be credited to the Department of Defense Military Retirement Fund under chapter 74 of title 10.

[(c)] *(d)* Notwithstanding subsection (a) of this section, payments of benefits under laws administered by the Veterans' Administration shall not be exempt from levy under subchapter D of chapter 64 of the Internal Revenue Code of 1954 (26 U.S.C. 6331 et seq.).

[(d)] *(e)* In the case of a person who—

(1) has been determined to be eligible to receive pension or compensation under laws administered by the Veterans' Administration but for the receipt by such person of pay pursuant to any provision of law providing retired or retirement pay to members or former members of the Armed Forces or commissioned officers of the National Oceanic and Atmospheric Administration or of the Public Health Service; and

(2) files a waiver of such pay in accordance with section 3105 of this title in the amount of such pension or compensation before the end of the one-year period beginning on the date such person is notified by the Veterans' Administration of such person's eligibility for such pension or compensation.

the retired or retirement pay of such person shall be exempt from taxation, as provided in subsection (a) of this section, in an amount equal to the amount of pension or compensation which would have been paid to such person but for the receipt by such person of such pay.

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§ 3103A. Minimum active-duty service requirement

(a) * * *

* * * * * * *

(b)(1) * * *

* * * * * * *

(3) Paragraph (1) of this subsection does not apply—

(A) to a person who is discharged or released from active duty under section 1171 or 1173 of title 10;

(B) to a person who is discharged or released from active duty for a disability incurred or aggravated in line of duty;

(C) to a person who has a disability that the Administrator has determined to be compensable under chapter 11 of this title;

(D) to the provision of a benefit for or in connection with a service-connected disability, condition, or death; [or]

(E) to benefits under chapter 19 of this [title.] *title; or*

(F) to benefits under chapter 30 of this title in the case of a person entitled to benefits under such chapter by reason of section 1411(a)(1)(A)(ii)(II) of this title.

* * * * * * *

CHAPTER 55—MINORS, INCOMPETENTS, AND OTHER WARDS

* * * * * * *

§ 3202. Payments to and supervision of fiduciaries

(a)(1) * * *

* * * * * * *

(b) Whenever it appears that any guardian, curator, conservator, or other person, in the opinion of the Administrator, is not properly executing or has not properly executed the duties of his trust or has collected or paid, or is attempting to collect or pay, fees, commissions, or allowances that are inequitable or in excess of those allowed by law for the duties performed or expenses incurred, or has failed to make such payments as may be necessary for the benefit of the ward or the dependents of the ward, then the Administrator may appear, by his duly authorized attorney, in the court which has appointed such fiduciary, or in any court having original, concurrent, or appellate jurisdiction over said cause, and make proper presentation of such matters. The Administrator, in his discretion, may suspend payments to any such guardian, curator, conservator, or other person who shall neglect or refuse, after reasonable notice, to render an account to the Administrator from time to time showing the application of such payments for the benefit of such incompetent or minor beneficiary, or who shall neglect or refuse to administer the estate according to law. *The Administrator may require the fiduciary, as part of such account, to disclose any additional financial information concerning the beneficiary (except for information that is not available to the fiduciary).* The Administrator may appear or intervene by his duly authorized attorney in any court as an interested party in any litigation instituted by himself or otherwise, directly affecting money paid to such fiduciary under this section.

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PART V—BOARDS AND DEPARTMENTS

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CHAPTER 73—DEPARTMENT OF MEDICINE AND SURGERY

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Subchapter I—Organization; General

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§ 4114. Temporary full-time, part-time, and without compensation appointments; residences or internships

(a)(1) The Administrator, upon the recommendation of the Chief Medical Director, may employ, without regard to civil service or classification laws, rules, or regulations—

(A) physicians, dentists, podiatrists, optometrists, nurses, physician assistants, expanded-function dental auxiliaries, *certified or registered respiratory therapists, licensed physical therapists, licensed practical or vocational nurses,* dietitians, social workers, librarians, and other professional, clerical, technical, and unskilled personnel (including interns, residents, trainees, and students, in medical support programs) on a temporary full-time, part-time, or without compensation basis; and

(B) physicians, dentists, podiatrists, optometrists, nurses, physician assistants, expanded-function dental auxiliaries, *certified or registered respiratory therapists, licensed physical therapists, licensed practical or vocational nurses,* and other professional and technical personnel on a fee basis.

(2) Personnel employed under paragraph (1) of this subsection shall be in addition to personnel described in section 4103, [paragraph (1)] *paragraphs (1) and (3)* of section 4104, and section 4111 of this title and shall be paid such rates of pay as the Administrator may prescribe.

(3)(A) Temporary full-time appointments of physicians, dentists, podiatrists, optometrists, nurses, physician assistants, and expanded-function dental auxiliaries may exceed ninety days only if the Chief Medical Director finds that circumstances render it impracticable to obtain the necessary services through appointments under paragraph (1) of section 4104 of this title. Temporary full-time appointments of persons who have successfully completed a full course of nursing in a recognized school of nursing, approved by the Administrator, and are pending registration as a graduate nurse in a State, shall not exceed two years. Temporary full-time appointments of other personnel shall not exceed one [year.] *year except as authorized in subparagraph (D) of this paragraph.*

(B) No part-time appointment shall be for a period of more than one year, except for appointments of physicians, dentists, podiatrists, optometrists, nurses, physician assistants, expanded-function dental auxiliaries, and interns, residents and other trainees in medical support [programs.] *programs and except as authorized in subparagraph (D) of this paragraph.*

* * * * * * *

(D) During any period during which the Administrator is exercising the authority of only section 4106 (a) and (g)(1) of this title in connection with the appointment, under section 4104(3) of this title, of personnel in the category of certified or registered respiratory therapists, licensed physical therapists, or licensed practical or vocational nurses—

(i) the Administrator may make temporary full-time appointments of personnel in such category for periods exceeding 90 days if the Chief Medical Director finds that circumstances render it impractical to obtain the necessary services through appointments under paragraph (3) of section 4104 of this title; and

(ii) part-time appointments of personnel in such category may be for periods of more than one year.

* * * * * * *

(d) The Chief Medical Director may waive for the purpose of appointments under this section the requirements of section 4105(a) of this title that the licensure of a physician, dentist, podiatrist, *psychologist,* or optometrist, or the registration of a nurse must be in a "State", if—

(1) in the case of a physician, dentist, podiatrist, *psychologist,* or optometrist, the person is to be used on a research or an academic post or where there is no direct responsibility for the care of patients; or

(2) in any case, where the person is to serve in a country other than the United States and such person's licensure or registration is in the country in which the person is to serve.

* * * * * * *

§ 4118. Special pay for physicians and dentists

(a)(1) * * *

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(g)(1) * * *

* * * * * * *

(2) To assist the Congress and the President in carrying out the policy stated in paragraph (1) of this subsection, the Administrator shall—

(A) define the bases for pay distinctions, if any, among various categories of physicians and dentists, including between physicians and dentists employed by the Veterans' Administration and physicians and dentists employed by other departments and agencies of the Federal Government and between all Federal sector and non-Federal sector physicians and dentists;

(B) obtain measures of income from the employment or practice of physicians and dentists in the non-Veterans' Administration sector, including Federal and non-Federal sectors, for use as guidelines for setting and periodically adjusting the amounts of special pay for Veterans' Administration physicians and dentists;

(C) submit a report to the President, on such date as the President may designate but not later than December 31, [1982,] *1988,* and once every [two] *four* years thereafter, recommending appropriate amounts of special pay to carry out the policy set forth in paragraph (1) of this subsection with respect to the pay of Veterans' Administration physicians and dentists; and

(D) include in such recommendations, when considered appropriate and necessary by the Administrator, modifications of the special pay levels set forth in this section (i) whenever the Veterans' Administration is unable to recruit or retain a sufficient work force of well-qualified physicians and dentists because the incomes of non-Veterans' Administration physicians and dentists performing comparable types of duties are significantly in excess of the levels of total pay (including basic pay and special pay) of Veterans' Administration physicians and dentists, or (ii) whenever other extraordinary circumstances are such that special pay levels are needed to recruit or retain a sufficient number of well-qualified physicians and dentists.

* * * * * * *

Subchapter II—Regional Medical Education Centers

§ 4121. Designation of Regional Medical Education Centers

(a) In carrying out the Administrator's functions under section 4101 of this title with regard to the training of health manpower, the Administrator shall implement a [pilot] program under which the Administrator shall designate as Regional Medical Education Centers such Veterans' Administration hospitals as the Administrator determines appropriate to carry out the provisions of this [subchapter in geographically dispersed areas of the United States.] *subchapter.*

(b) Each Regional Medical Education Center (hereinafter in this subchapter referred to as "Center") designated under subsection (a) of this section shall provide [in-residence] continuing medical and related education programs for [medical and health] personnel eligible for training under this subchapter, including (1) the teaching of newly developed medical skills and the use of newly developed medical technologies and equipment, (2) advanced clinical instruction, (3) the opportunity for conducting clinical investigations, (4) clinical demonstrations in the utilization of new types of health personnel and in the better utilization of the skills of existing health personnel, and (5) routine verification of basic medical skills and, where determined necessary, remediation of any deficiency in such skills.

* * * * * * *

§ 4123. Personnel eligible for training

(a) The Chief Medical Director shall determine the manner in which personnel are to be selected for training in the Centers. Preference shall be given to career personnel of the Department of Medicine and Surgery. [To the extent that facilities are available, other medical and health personnel shall, on a fully reimbursable

basis, be eligible for in-residence training in the Centers. Any proceeds to the Government received therefrom shall be credited to the applicable Veterans' Administration medical appropriation.]

(b) To the extent that facilities are available, medical and health personnel from outside the Department of Medicine and Surgery may, on a reimbursable basis, be provided training in the Centers. Such reimbursement may include reciprocal training of personnel of the Department of Medicine and Surgery provided under sharing arrangements entered into by the Chief Medical Director and the heads of the entities providing such reciprocal training. Any amounts received by the United States as reimbursement under this subsection shall be credited to the applicable Veterans' Administration medical appropriation account.

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Subchapter IV—Veterans' Administration Health Professional Scholarship Program

* * * * * * *

§ 4142. Eligibility; application; written contract

(a) * * *

* * * * * * *

(e) The written contract (referred to in this subchapter) between the Administrator and a participant in the Scholarship Program shall contain—

(1) an agreement that—

(A) subject to clause (2) of this subsection, the Administrator agrees (i) to provide the participant with a scholarship (described in subsection (f) of this section) for from one to four school years (or in a case in which an extension is granted under subsection (g)(3) of this section, the number of school years provided for as a result of such extension) during which period the participant is pursuing a course of training described in subsection (a)(1)(B) of this section, and (ii) to afford the participant the opportunity for employment in the Department of Medicine and Surgery (subject to the availability of appropriated funds for such purpose and other qualifications established in accordance with section 4105 of this title); and

(B) subject to clause (2) of this subsection, the participant agrees—

(i) to accept such a scholarship;

(ii) to maintain enrollment and attendance in a course of training described in subsection (a)(1)(B) of this section until the participant completes the course of training;

(iii) while enrolled in such course of training, to maintain an acceptable level of academic standing (as determined by the educational institution offering such course of training under regulations prescribed by the Administrator);

(iv) to serve as a full-time employee in the Department of Medicine and Surgery for a period of time (hereinafter in this subchapter referred to as the "period of obligated service") equal to the greater of—

(I) one calendar year for each school year for which the participant was provided a scholarship under the Scholarship Program [(to be reduced, in the case of a participant who is a part-time student, in accordance with the proportion that the number of credit hours carried by such participant in any such school year bears to the number of credit hours required to be carried by a full-time student in the course of training being pursued by the participant),] *(or, in the case of a participant who is a part-time student, six months for each calendar year, or part of a calendar year, for which the participant was provided a scholarship, with an academic semester or quarter to be counted in only one calendar year),* or

(II) two calendar years (or, in the case of a participant who is a part-time student, one calendar year);

(v) if the participant's period of obligated service is deferred under section 4143(b)(3)(A) of this title, to serve any additional period of obligated service prescribed by the Administrator under section 4143(b)(4)(B) of this title; and

(vi) in the case of a participant who is a part-time student, to maintain employment, while enrolled in such course of training, as a Veterans' Administration employee permanently assigned to a Veterans' Administration health-care facility;

(2) a provision that any financial obligation of the United States arising out of a contract entered into under this subchapter, and any obligation of the participant which is conditioned thereon, is contingent upon funds being appropriated for scholarships under this subchapter;

(3) a statement of the damages to which the United States is entitled under section 4144 of this title for the participant's breach of the contract; and

(4) such other statements of the rights and liabilities of the Administrator and of the participant as may be appropriate and consistent with the provisions of this subchapter.

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PART VI—ACQUISITION AND DISPOSITION OF PROPERTY

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CHAPTER 81—ACQUISITION AND OPERATION OF HOSPITAL AND DOMICILIARY FACILITIES; PROCUREMENT AND SUPPLY

SUBCHAPTER I—ACQUISITION AND OPERATION OF MEDICAL FACILITIES

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SUBCHAPTER IV—SHARING OF MEDICAL FACILITIES, EQUIPMENT, AND INFORMATION

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[5057. Reports to Congress.]

Subchapter I—Acquisition and Operation of Medical Facilities

* * * * * * *

§ 5002. Acquisition of medical facilities

(a) * * *

* * * * * * *

(d) In considering the need for any project for the construction, alteration, or acquisition (other than by exchange) of a medical facility which is expected to involve a total expenditure of more than $2,000,000, the Administrator shall give consideration to the sharing of health-care resources with the Department of Defense under section 5001 of this title as an alternative to all or part of such project.

* * * * * * *

§ 5004. Congressional approval of certain medical facility acquisitions

(a)(1) * * *

* * * * * * *

(b) In the event that the President or the Administrator proposes to the Congress the funding of any construction, alteration, lease, or other acquisition to which subsection (a) of this section is applicable, the Administrator shall submit to each committee, on the same day, a prospectus of the proposed medical facility. Such prospectus shall include—

(1) a detailed description of the medical facility to be constructed, altered, leased, or otherwise acquired under this subchapter, including a description of the location of such facility and, in the case of a prospectus proposing the construction of a new or replacement medical facility, a description of the consideration that was given to acquiring an existing facility by lease or [purchase;] *purchase and to the sharing of healthcare resources with the Department of Defense under section 5011 of this title;*

(2) an estimate of the cost of the United States of the construction, alteration, lease, or other acquisition of such facility (including site costs, if applicable); and

(3) an estimate of the cost to the United States of the equipment required for the operation of such facility.

* * * * * * *

§ 5007. Operational and construction plans for medical facilities

(a)(1) In order to promote effective planning for the orderly construction, replacement, and alteration of medical facilities in accordance with the comparative urgency of the need for the services to be provided by such facilities, the [Administrator] *Administrator, after considering the analysis and recommendations of the Chief Medical Director,* shall submit to each committee an annual report on the construction, replacement, alteration, and operation of medical facilities.

(2) Each such report shall contain—

(A) a five-year strategic plan for the operation and construction of medical facilities—

(i) setting forth—

(I) the mission of each existing or proposed medical facility;

(II) any planned change in such mission; and

(III) the operational steps needed to achieve the facility's mission and the dates by which such steps are planned to be completed; and

(ii) a five-year plan, based on the factors set out in subclause (i) of this clause, for construction, replacement, or alteration projects for each such facility;

(B) a list, in order of priority, of not less than 10 hospitals that, in the judgment of the Administrator, *after considering the analysis and recommendations of the Chief Medical Director,* are most in need of construction or replacement; and

(C) general plans (including projected costs, site location, and, if appropriate, necessary land acquisition) for each medical facility for which construction, replacement, or alteration is planned under clause (A)(ii) of this paragraph.

(3) The report under this subsection shall be submitted not later than June 30 of each year.

* * * * * * *

§ 5009. [Garages and parking] *Parking* facilities

[(a) The Administrator may construct, alter, operate, and maintain, on reservations of medical facilities, garages and parking facilities for the accommodation of privately owned vehicles of employees of such facilities and vehicles of visitors and other individuals having business at such facilities.

[(b)(1) The Administrator may establish and collect (or provide for the collection of) fees for the use of such garages and parking facilities at such rate or rates which the Administrator determines would be reasonable under the particular circumstances; but no fee may be charged for the accommodation of any publicly or privately owned vehicle used in connection with the transportation of a veteran to or from any medical facility for the purposes of examination or treatment or in connection with any visit to any patient in such facility. Employees using such garages shall make such reimbursement therefor as the Administrator may deem reasonable.

[(2) The Administrator may contract, by lease or otherwise, with responsible persons, firms, or corporations for the operation of such parking facilities, under such terms and conditions as the Administrator shall prescribe, and without regard to the laws concerning advertising for competitive bids.

[(c)(1) There are authorized to be appropriated such amounts as are necessary to finance in part the construction, alteration, operation, and maintenance of garages and parking facilities (other than the construction or alteration of any garage or parking facility involving the expenditure of more than $2,000,000). Amounts appropriated under the authority of this section, and all income from fees collected for the use of such garages and parking facilities, shall be administered as a revolving fund to effectuate the provisions of this section, but only to the extent provided for in appropriation Acts.

[(2) The revolving fund shall be deposited in a checking account with the Treasurer of the United States, except that such amounts thereof as the Administrator may determine to be necessary to establish and maintain operating accounts for the various garages and parking facilities may be placed in depositories selected by the Administrator.]

(a) For the purpose of this section—

(1) The term "garage" means a structure (or part of a structure) in which vehicles may be parked.

(2) The term "parking facility" includes—

(A) a surface parking lot; and

(B) a garage.

(3) The term "eligible person" means an individual to whom the Administrator is authorized to furnish medical examination or treatment.

(b) In order to accommodate the vehicles of employees of medical facilities, vehicles used to transport veterans and eligible persons to or from such facilities for the purpose of examination or treatment,

and the vehicles of visitors and other individuals having business at such facilities, the Administrator—

(1) may construct or alter parking facilities, and may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise such land or interests in land as the Administrator considers necessary for use as the site for any such construction or alteration;

(2) may acquire, by purchase, lease, condemnation, donation, exchange or otherwise, any facility that the Administrator considers necessary for use as a parking facility; and

(3) may operate and maintain parking facilities.

(c)(1) Except as provided in paragraph (2) of this subsection, each employee, visitor, and other individual having business at a medical facility for which parking fees have been established under subsection (d) or (e) of this section shall be charged the applicable parking fee for the use of a parking facility at such medical facility.

(2) A parking fee shall not be charged under this subsection for the accommodation of any vehicle used to transport to or from a medical facility—

(A) a veteran or eligible person in connection with such veteran or eligible person seeking examination or treatment; or

(B) a volunteer worker (as determined in accordance with regulations which the Administrator shall prescribe) in connection with such worker performing services for the benefit of veterans receiving care at a medical facility.

(3) The Administrator shall collect (or provide for the collection of) parking fees charged under this subsection.

(d)(1) For each medical facility where funds from the revolving fund described in subsection (h) of this section are expended for—

(A) a garage constructed or acquired by the Veterans' Administration at a cost exceeding $500,000 (or, in the case of acquisition by lease, $100,000 per year); or

(B) a project for the alteration of a garage at a cost exceeding $500,000,

the Administrator shall prescribe a schedule of parking fees to be charged at all parking facilities used in connection with such medical facility.

(2) The parking fee schedule prescribed for a medical facility referred to in paragraph (1) of this subsection shall be designed to establish fees which the Administrator determines are reasonable under the circumstances.

(e) The Administrator may prescribe a schedule of parking fees for the parking facilities at any medical facility not referred to in subsection (d) of this section. Any such schedule shall be designated to establish fees which the Administrator determines to be reasonable under the circumstances and shall cover all parking facilities used in connection with such medical facility.

(f) The Administrator may contract (by lease or otherwise) for the operation of parking facilities at medical facilities under such terms and conditions as the Administrator prescribes and may do so without regard to laws requiring full and open competition.

(g) Subject to subsections (h) and (i) of this section, there are authorized to be appropriated such amounts as are necessary to fi-

nance (in whole or in part) the construction, alteration, and acquisition (including the site acquisition) of parking facilities at medical facilities.

(h)(1) Amounts appropriated pursuant to subsection (g) of this section and parking fees collected under subsection (c) of this section shall be administered as a revolving fund and shall be available without fiscal year limitation.

(2) The revolving fund shall be deposited in a checking account with the Treasurer of the United States.

(3)(A) Except as provided in subparagraph (B) of this paragraph, no funds other than funds from the revolving fund may be expended for the construction, alteration, or acquisition (including site acquisition) of a garage at a medical facility after September 30, 1986.

(B) Subparagraph (A) of this paragraph does not apply to the use of funds for investigations and studies, surveys, designs, plans, working drawings, specifications, and similar actions not directly involved in the physical construction of a structure.

(i)(1) The expenditure of funds from the revolving fund may be made only for the construction, alteration, and acquisition (including site acquisition) of parking facilities at medical facilities and may be made as provided for in appropriation Acts.

(2) For the purpose of section 5004(a)(2) of this title, a bill, resolution, or amendment which provides that funds in the revolving fund (including any funds proposed in such bill, resolution, or amendment to be appropriated to the revolving fund) may be expended for a project involving a total expenditure of more than $2,000,000 for the construction, alteration, or acquisition (including site acquisition) of a parking facility or facilities at a medical facility shall be considered to be a bill, resolution, or amendment making an appropriation which may be expended for a major medical facility project.

* * * * * * *

Subchapter III—State Home Facilities for Furnishing Domiciliary, Nursing Home, and Hospital Care

§ 5031. Definitions

For the purpose of this subchapter—

[(a)] *(1)* The veteran population of each State shall be determined on the basis of the latest figures certified by the Department of Commerce.

[(b)] *(2)* The term "State" does not include any possession of the United States.

[(c)] *(3)* The term "construction" means the construction of new domiciliary or nursing home buildings, the expansion, remodeling, or alteration of existing buildings for the provision of domiciliary, nursing home, or hospital care in State homes, and the provision of initial equipment for any such buildings.

[(d)] *(4)* The term "cost of construction" means the amount found by the Administrator to be necessary for a construction project, including architect fees, but excluding land acquisition costs.

* * * * * * *

§ 5033. Authorization of appropriations

(a) There [is] *are* hereby authorized to be appropriated [$15,000,000 for fiscal year 1980 and] such sums as [may be] *are* necessary [for fiscal year 1981 and for each of the five succeeding fiscal years.] *to carry out this subchapter through September 30, 1989.* Sums appropriated pursuant to this section shall be used for making grants to States which have submitted, and have had approved by the Administrator, applications for carrying out the purposes and meeting the requirements of this subchapter.

* * * * * * *

§ 5035. Applications with respect to projects; payments

(a) * * *

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[(b)(1) The Administrator shall approve any such application if the Administrator finds that—

[(A) there are sufficient funds available to make the grant requested with respect to such project,

[(B) such grant does not exceed 65 percent of the estimated cost of construction (or of the estimated cost of facility acquisition and construction) of such project,

[(C) the application contains such reasonable assurances under subsection (a) of this section as the Administrator may determine to be necessary, and

[(D) the plans and specifications for such project are in accord with regulations prescribed pursuant to section 5034(2) of this title and that the carrying out of such project, together with other projects under construction and other facilities, will not result in more than the number of beds prescribed by the Administrator pursuant to section 5034(1) of this title for the State in which such project is located being available for furnishing nursing home care to veterans in such State.

[(2)(A) The Administrator shall defer approval of an application that meets the requirements for this section if the State submitting the application does not, by the July 1 deadline (as defined in subparagraph (C) of this paragraph), demonstrate to the satisfaction of the Administrator that the State has provided adequate financial support for construction of the project.

[(B) In a case in which approval of an application is deferred under subparagraph (A) of this paragraph—

[(i) the Administrator, in accordance with guidelines established by the Administrator, shall select for award of a grant or grants under this section an application or applications for a nursing home project or projects that the Administrator determines—

[(I) to be most in need;

[(II) would, but for the deferral, not have been approved during the fiscal year in which the deferral occurred; and

[(III) have been provided adequate financial support by the State and are otherwise qualified for approval during the fiscal year; and

[(ii) during the next fiscal year, the application with respect to which approval was deferred shall be accorded priority for approval ahead of applications that had not been approved before the first day of such fiscal year.

[(C) For the purposes of this paragraph, the term "July 1 deadline" means July 1 of the fiscal year in which the State is notified by the Administrator of the availability of funding for a grant for such project.]

(b)(1) Upon receipt of an application for a grant under subsection (a) of this section, the Administrator—

(A) shall determine whether the application meets the requirements of this section and of the regulations prescribed under section 5034 of this title;

(B) shall notify the State submitting the application whether the application conforms with those requirements and, if it does not, of the actions necessary to bring the application into conformance with those requirements; and

(C) shall determine the priority of the project described in the application in accordance with the provisions of this subsection.

(2) Subject to paragraphs (3) and (5)(C) of this subsection, the Administrator shall accord priority to applications in the following order:

(A) An application from a State that has made sufficient funds available for the construction or acquisition of the project for which the grant is requested so that such project may proceed upon approval of the grant without further action required by the State to make such funds available for such purpose.

(B) An application from a State that does not have a State home facility constructed or acquired with assistance under this subchapter (or for which such a grant has been made).

(C) An application from a State which the Administrator determines, in accordance with criteria and procedures specified in regulations which the Administrator shall prescribe, has a greater need for nursing home or domiciliary beds than other States from which applications are received.

(D) An application that meets such other criteria as the Administrator determines are appropriate and has established in regulations.

(3) In according priorities to projects under paragraph (2) of this subsection, the Administrator—

(A) shall accord priority only to projects which would involve construction or acquisition of either nursing home or domiciliary buildings; and

(B) may not accord any priority to a project which would expand a State's capacity to furnish hospital care in a State home.

(4) The Administrator shall establish a list of approved projects, in the order of their priority, as of July 1 of each year. The Administrator shall award grants in the order of their priority on the list during the fiscal year beginning on October 1 of the calendar year in which the list was made.

(5)(A) The Administrator shall defer approval of an application that otherwise meets the requirements of this section if the State submitting the application does not, by the July 1 deadline (as de-

fined in subparagraph (D) of this paragraph), demonstrate to the satisfaction of the Administrator that the State has provided adequate financial support for construction of the project.

(B) In a case in which approval of an application is deferred under subparagraph (A) of this paragraph, the Administrator shall select for award of a grant or grants under this subsection an application or applications which would not have been approved during the fiscal year but for the deferral and to which the Administrator accords the highest priority under paragraph (2) of this section.

(C) An application deferred in accordance with the requirements of this paragraph shall be accorded priority in any subsequent fiscal year ahead of applications that had not been approved before the first day of the fiscal year in which the deferred application was first approved.

(D) For the purposes of this paragraph, the term "July 1 deadline" means July 1 of the fiscal year in which the State is notified by the Administrator of the availability of funding for a grant for such project.

* * * * * * *

(d)[(1) Upon approving an application under this section, the Administrator shall certify to the Secretary of the Treasury the amount of the grant so approved, but in no event an amount greater than 65 percent of the estimated cost of construction (or of the estimated cost of facility acquisition and construction) of the project, and shall designate the appropriation from which it shall be paid. Such certification shall provide for payment] *The amount of a grant under this subchapter shall be paid* to the applicant or, if designated by the applicant, the State home for which such project is being carried out or any other agency or instrumentality of the applicant. Such amount shall be paid, in advance or by way or reimbursement, and in such installments consistent with the progress of the project as the Administrator may determine and certify for payment to the Secretary of the Treasury. Funds paid under this section for an approved project shall be used solely for carrying out such project as so approved.

[(2) No one State may receive in any fiscal year in the aggregate under this subchapter more than one-third of the amount appropriated for carrying out this subchapter in such fiscal year.]

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Subchapter IV—Sharing of Medical Facilities, Equipment, and Information

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§ 5053. Specialized medical resources

(a) * * *

* * * * * * *

(e) The Administrator shall submit to the Congress not more than 60 days after the end of each fiscal year a report on the activities carried out under this section. Each report shall include—

(1) an appraisal of the effectiveness of the activities authorized in this section and the degree of cooperation from other sources, financial and otherwise; and

(2) recommendations for the improvement or more effective administration of such activities.

* * * * * * *

[§ 5057. Reports to Congress

[The Administrator shall submit to the Congress not more than sixty days after the end of each fiscal year separate reports on the activities carried out under sections 5053 and 5054 of this subchapter, each report to include (1) an appraisal of the effectiveness of the programs authorized herein and the degree of cooperation from other sources, financial and otherwise, and (2) recommendations for the improvement or more effective administration of such programs.]

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SOCIAL SECURITY ACT

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TITLE XVIII—HEALTH INSURANCE FOR THE AGED AND DISABLED

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PART C—MISCELLANEOUS PROVISIONS

* * * * * * *

AGREEMENTS WITH PROVIDERS OF SERVICES

SEC. 1866. [42 U.S.C. 1395cc] (a)(1) Any provider of services (except a fund designated for purposes of section 1814(g) and section 1835(e)) shall be qualified to participate under this title and shall be eligible for payments under this title if it files with the Secretary an agreement—

(A) not the charge, except as provided in paragraph (2), any individual or any other person for items or services for which such individual is entitled to have payment made under this title (or for which he would be so entitled if such provider of services had complied with the procedural and other requirements under or pursuant to this title or for which such provider is paid pursuant to the provisions of section 1814(e)),

(B) not to charge any individual or any other person for items or services for which such individual is not entitled to have payment made under this title because payment for expenses incurred for such items or services may not be made by reason of the provisions of paragraph (1) or (9) of section 1862(a) but only if (i) such individual was without fault in incurring such expenses and (ii) the Secretary's determination that such payment may not be made for such items and serv-

ices was made after the third year following the year in which notice of such payment was sent to such individual; except that the Secretary may reduce such three-year period to not less than one year if he finds such reduction is consistent with the objectives of this title,

(C) to make adequate provision for return (or other disposition, in accordance with regulations) of any moneys incorrectly collected from such individual or other person,

(D) to promptly notify the Secretary of its employment of an individual who, at any time during the year preceding such employment, was employed in a managerial, accounting, auditing, or similar capacity (as determined by the Secretary by regulation) by an agency or organization which services as a fiscal intermediary or carrier (for purposes of part A or part B, or both, of this title) with respect to the provider,

(E) to release data with respect to patients of such provider upon request to an organization having a contract with the Secretary under part B of title XI as may be necessary (i) to allow such organization to carry out its functions under such contract, or (ii) to allow such organization to carry out similar review functions under any contract the organization may have with a private or public agency paying for health care in the same area with respect to patients who authorize release of such data for such purposes,

(F) in the case of hospitals which provide inpatient hospital services for which payment may be made under subsection (c) or (d) of section 1886, to maintain an agreement with a utilization and quality control peer review organization (with an organization which has a contract with the Secretary under part B of title XI for the area in which the hospital is located) under which the organization will perform functions under that part with respect to the review of the validity of diagnostic information provided by such hospital, the completeness, adequacy, and quality of care provided, the appropriateness of admissions and discharges, and the appropriateness of care provided for which additional payments are sought under section 1886(d)(5), with respect to inpatient hospital services for which payment may be made under part A of this title (and for purposes of payment under this title, the cost of such agreement to the hospital shall be considered a cost incurred by such hospital in providing inpatient services under part A, and (i) shall be paid directly by the Secretary to such organization on behalf of such hospital in accordance with a rate per review established by the Secretary, (ii) shall be transferred from the Federal Hospital Insurance Trust Fund, without regard to amounts appropriated in advance in appropriation Acts, in the same manner as transfers are made for payment for services provided directly to beneficiaries, (iii) shall be not less than an amount which reflects the rates per review established in fiscal year 1982 for both direct and administrative costs (adjusted for inflation), and (iv) shall not be less in the aggregate for a fiscal year than the aggregate amount expended in fiscal year 1982 for direct and administrative costs (adjusted for inflation)) of such reviews,

(G) in the case of hospitals which provide inpatient hospital services for which payment may be made under subsection (b) or (d) of section 1886, not to charge any individual or any other person for inpatient hospital services for which such individual would be entitled to have payment made under part A but for a denial or reduction of payments under section 1886(f)(2),

(H) in the case of hospitals which provide inpatient hospital services for which payment may be made under this title, to have all items and services (other than physicians' services as defined in regulations for purposes of section 1862(a)(14)) (i) that are furnished to an individual who is an inpatient of the hospital, and (ii) for which the individual is entitled to have payment made under this title, furnished, by the hospital or otherwise under arrangements (as defined in section 1861(w)(1)) made by the hospital,

(I) in the case of a hospital, to comply with the requirements of section 1867 of the extent applicable,

(J) in the case of hospitals which provide inpatient hospital services for which payment may be made under this title, to be a participating provider of medical care under any health plan contracted for under section 1079 or 1086 of title 10, or under section 613 of title 38, United States Code, in accordance with admission practices, payment methodology, and amounts as prescribed under joint regulations issued by the Secretary and by the Secretaries of Defense and Transporation, in implementation of sections 1079 and 1086 of title 10, United States Code, [and]

(K) in the case of hospitals which provide inpatient hospital services for which payment may be made under this title, to be a participating provider of medical care under section 603 of title 38, United States Code, in accordance with such admission practices, and such payment methodology and amounts, as are prescribed under joint regulations issued by the Secretary and by the Administrator of Veterans' Affairs in implementation of such [section.] *section, and*

(L) in the case of hospitals which provide inpatient hospital services for which payment may be made under this title, to be a participating provider of medical care under section 603 of title 38, United States Code, in accordance with such admission practices, and such payment methodology and amounts, as are prescribed under joint regulations issued by the Secretary and by the Administrator of Veterans' Affairs in implementation of such section.

In the case of a hospital which has an agreement in effect with an organization described in subparagraph (F), which organization's contract with the Secretary under part B of title IX is terminated on or after October 1, 1984, the hospital shall not be determined to be out of compliance with the requirement of such subparagraph during the six month period beginning on the date of the termination of that contract.

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VETERANS' HEALTH CARE AMENDMENTS OF 1983

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TITLE I—VETERANS' ADMINISTRATION HEALTH-CARE PROGRAMS

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STUDY OF POST-TRAUMATIC STRESS DISORDER AND OTHER POST-WAR PSYCHOLOGICAL PROBLEMS

SEC. 102. (a)(1) * * *

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(d) In order to promote the participation in the study required by subsection (a) of a number of study subjects sufficient to yield scientifically valid results from such study, the Administrator shall pay an appropriate stipend to each individual participating in the study as a subject. In determining the amount of such stipend, the Administrator shall take into account—

(1) the amount of time that the individual is expected to devote to participation in the study,

(2) the extent to which the individual's normal routine is disrupted as a result of such participation,

(3) any travel by the individual in connection with such participation, and

(4) such other factors as the Administrator considers appropriate.

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VETERANS' EDUCATIONAL ASSISTANCE ACT OF 1984

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TITLE VII—EDUCATIONAL ASSISTANCE PROGRAMS

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[SUSPENSION OF RIGHT TO ENROLL IN CHAPTER 32 PROGRAM]

[SEC. 704. No individual on active duty in the Armed Forces may initially enroll in the educational assistance program provided for in chapter 32 of title 38, United States Code, during the period beginning on July 1, 1985, and ending on June 30, 1988.]

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64-797 (112)